

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7612

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 07/31/2008 ORIGINAL CONTRACT DATE: 07/31/2008 RECEIVED DATE: 04/08/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
10-SJC-IS-Res	<p>TEXAS GAS SERVICE COMPANY South Jefferson County Service Area RATE SCHEDULE 10 RESIDENTIAL SERVICE RATE APPLICABILITY Applicable to residential consumers for all purposes. TERRITORY Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas. COST OF SERVICE RATES During each monthly billing period: A Customer Charge of \$12.18 plus All Ccf @ \$ 0.17780 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchises fees) related to above. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Schedule dated Meters Read On or After October 30, 2007 July 31, 2008</p>
ORD-SJC-COS-IS	<p>TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region RATE SCHEDULE ORD-SJC-COS CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and transportation customers. TERRITORY Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas. DESCRIPTION Pursuant to the 2008 Annual Cost of Service Adjustment (COSA) filing dated 4/1/08, the cities of Port Arthur, Port Neches, Nederland and Groves in the South Jefferson County Service Area passed (via ordinances listed below) an increase in gas sales and standard transport cost of service rates (both volumetric and customer charge) effective for meters read on and after July 31, 2008. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Effective Date of Transport Rate Schedules Port Arthur 08-51 05/07/2008 07/31/2008 07/31/2008 Port Neches 2008-05 05/15/2008 07/31/2008 07/31/2008 Nederland 2008-11 05/05/2008 07/31/2008 07/31/2008 Groves 2008-11 05/12/2008 07/31/2008 07/31/2008 Meters Read On or After Initial July 31, 2008</p>
ORD-SJC-IS	<p>TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region RATE SCHEDULE ORD-SJC CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and transportation customers. TERRITORY Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas.</p>

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Per our rate case filed 7/10/07, the following cities approved changes to Rate Schedule 10, 20 and 40 for Gas Sales Customers and Rate Schedule T-4 and T-Gen for Transportation Customers. In addition, the cities approved a new Cost of Service Adjustment Clause, Rate Schedule 1-1.

City approvals are as follows:

City Ordinance #	Date Ordinance Passed	Effective Date of Gas Sales Rate Schedules	Effective Date of Transport Rate Schedules
Port Arthur 07-84	10/23/2007	10/30/2007	10/30/2007
Port Neches 2007-17	11/01/2007	10/30/2007	10/30/2007
Nederland 2007-14	10/22/2007	10/30/2007	10/30/2007
Groves 2007-20	10/29/2007	10/30/2007	10/30/2007

Supersedes Same Rate Schedule dated

Meters Read On or After

April 28, 2006

October 30, 2007

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all

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customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCAS-Rider-SJ0th-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE RCAS-RIDER RATE CASE APPEAL SURCHARGE A. APPLICABILITY The

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Rate Case Appeal Surcharge (RCAS) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 9465, Appeal of Texas Gas Service Company From the Action From the Cities of Port Neches, Nederland, Groves, TX. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Nederland, Groves and Port Neches, Texas: 10, 20, 40, C-1, CNG-1 and T-4. B. RCAS RATE All Ccf during each billing period: \$0.01066 per Ccf This rate will be in effect until all approved revenues are recovered under the applicable rate schedules. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchises fees) related to above. D. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Initial Rate Schedule Meters Read On and After July 31, 2008

RCE-Rider-SJC-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region RATE SCHEDULE RCE-RIDER RATE CASE EXPENSE SURCHARGE A. APPLICABILITY The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinance No's 07-84 (Port Arthur), 2007-14 (Nederland), 2007-17 (Port Neches) and 2007-20 (Groves) and the referenced October 12, 2007 letter from P & L Concepts, Inc. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Port Neches and Groves, Texas: 10, 20, 40, C-1, CNG-1, and T-4. B. RCE RATE All Ccf during each billing period: \$0.0034 per Ccf This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchises fees) related to above. D. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Initial Rate Schedule Meters Read On and After July 31, 2008

RCER-Rider SJ0th-IS

TEXAS GAS SERVICE COMPANY

South Jefferson County Service Area - Gulf Coast Region

RATE SCHEDULE RCER-RIDER

RATE CASE EXPENSE AND REFUND RATE

A.

APPLICABILITY
The Rate Case Expense and Refund (RCER) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 9465, Appeal of Texas Gas Service Company From the Action From the Cities of Port Neches, Nederland, Groves, TX. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Nederland, Groves and Port Neches, Texas: 10, 20, 40, C-1, CNG-1, T-4 and T-5.

B.

RCER RATE

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All Ccf during each billing period:
 \$0.0267 per Ccf This rate will be in effect until all approved and expended rate case expenses (net of refunds to customers) are recovered under the applicable rate schedules.

C.

OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule

Meters Read On and After
 September 29, 2004

WNA-SJC-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area RATE SCHEDULE
 WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves & Port Neches : 10, 20, and 40. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Supersedes Same Rate Schedule Dated Meters Read On and After August 27, 2004 (Cities of Nederland, Port Neches and Groves) April 28, 2006

1-1-INC-SJC-IS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-1-INC South Jefferson County Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its South Jefferson County Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component,

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and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority. (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects

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either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas calculation. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts

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1-1-SJC-IS-COSAdj later collected, if any. This report shall be filed concurrently with the Cost of Gas Statement for October. Supersedes Same Sheet Dated
Meters Read On and After 8/27/04 (Cities of Nederland, Groves & Port Neches) April 28, 2006 & 12/23/02 (City of Port Arthur)
TEXAS GAS SERVICE COMPANY
South Jefferson County Service Area
RATE SCHEDULE 1-1
COST OF SERVICE ADJUSTMENT CLAUSE

A. APPLICABILITY

This Cost of Service Adjustment Clause applies to all gas sales and standard transportation service rate schedules of Texas Gas Service Company (the Company) currently in force in the Company's service area within the incorporated areas of Port Arthur, Nederland, Groves and Port Neches, Texas (individually the City and collectively the Cities).

B. EFFECTIVE DATE

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year.

C. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the most recent calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the most recent rate case or the most recent cost of service adjustment filing.

1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and cash working capital approved in the most recent general rate case.

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3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (from most recent general rate case)

4. Cost of Service Adjustment Rate The total amount to be collected through the cost of service adjustment rate (the Adjustment Amount) will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the revenue requirement from the most recent rate case or the most recent cost of service adjustment filing. The difference shall be allocated among all customer classes in the same manner as approved in the most recent general rate case. For each customer class, seventy percent (70%) of the Adjustment Amount will be collected by adjusting monthly customer charges. This will be accomplished by dividing 70% of the Adjustment Amount by the total number of current calendar year bills to determine a per bill rate. This rate will be added to the current customer charge on the applicable rate schedule. Thirty percent (30%) of the Adjustment Amount will be collected by adjusting the volumetric rate of all customer classes. This will be accomplished by dividing 30% of the Adjustment Amount by total weather-normalized volumes for the applicable calendar year to determine a per unit rate. This rate will be added to the current volumetric rate(s) per Ccf on the applicable rate schedule.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

This Cost of Service Adjustment Clause does not limit the legal rights and duties of the Cities, and shall be presumed not approved unless and until the City has taken affirmative action thereupon. The Cities will have a period not to exceed ninety (90) days from the date of filing within which to review and approve or deny the proposed annual rate adjustment. If the Cities do not make a final determination within 90 days, the proposed annual rate adjustment will be considered to have been denied. Upon approval, the annual rate adjustment will take effect with the first billing cycle of August of each year.

Initial Rate Schedule Meters Read On and After

October 30, 2007

RATE ADJUSTMENT PROVISIONS

See 1-1-SJC-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT PROVISION)

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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>
8905	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7612

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8904	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: GUD 9465 CITY ORDINANCE NO: See ORD-SJC-COS-IS & ORD-SJC-IS

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	10_Residential Sales_South Jef Cty Svc Area - Incorp. Port Arthur, Groves, Nederland & Port Neches, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7614

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/31/2008 ORIGINAL CONTRACT DATE: 07/31/2008 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-INC-SJC-IS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-1-INC South Jefferson County Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its South Jefferson County Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the appropriate regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7614

RATE SCHEDULESCHEDULE IDDESCRIPTION

charges provided for herein or as approved by the regulatory authority. (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas calculation. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7614

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any. This report shall be filed concurrently with the Cost of Gas Statement for October. Supersedes Same Sheet Dated
Meters Read On and After 8/27/04 (Cities of Nederland, Groves & Port Neches) April 28, 2006 & 12/23/02 (City of Port Arthur)

1-1-SJC-IS-COSAdj

TEXAS GAS SERVICE COMPANY
South Jefferson County Service Area
RATE SCHEDULE 1-1
COST OF SERVICE ADJUSTMENT CLAUSE

A. APPLICABILITY

This Cost of Service Adjustment Clause applies to all gas sales and standard transportation service rate schedules of Texas Gas Service Company (the Company) currently in force in the Company's service area within the incorporated areas of Port Arthur, Nederland, Groves and Port Neches, Texas (individually the City and collectively the Cities).

B. EFFECTIVE DATE

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year.

C. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the most recent calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the most recent rate case or the most recent cost of service adjustment filing.

1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7614

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and cash working capital approved in the most recent general rate case.

3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (from most recent general rate case)

4. Cost of Service Adjustment Rate The total amount to be collected through the cost of service adjustment rate (the Adjustment Amount) will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the revenue requirement from the most recent rate case or the most recent cost of service adjustment filing. The difference shall be allocated among all customer classes in the same manner as approved in the most recent general rate case. For each customer class, seventy percent (70%) of the Adjustment Amount will be collected by adjusting monthly customer charges. This will be accomplished by dividing 70% of the Adjustment Amount by the total number of current calendar year bills to determine a per bill rate. This rate will be added to the current customer charge on the applicable rate schedule. Thirty percent (30%) of the Adjustment Amount will be collected by adjusting the volumetric rate of all customer classes. This will be accomplished by dividing 30% of the Adjustment Amount by total weather-normalized volumes for the applicable calendar year to determine a per unit rate. This rate will be added to the current volumetric rate(s) per Ccf on the applicable rate schedule.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

This Cost of Service Adjustment Clause does not limit the legal rights and duties of the Cities, and shall be presumed not approved unless and until the City has taken affirmative action thereupon. The Cities will have a period not to exceed ninety (90) days from the date of filing within which to review and approve or deny the proposed annual rate adjustment. If the Cities do not make a final determination within 90 days, the proposed annual rate adjustment will be considered to have been denied. Upon approval, the annual rate adjustment will take effect with the first billing cycle of August of each year.

Initial Rate Schedule Meters Read On and After

October 30, 2007

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area RATE

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7614

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

20-SJC-IS-Com

SCHEDULE 20 COMMERCIAL SERVICE RATE APPLICABILITY Applicable to commercial consumers for all purposes and all other consumers not otherwise specifically provided for. TERRITORY Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas. COST OF SERVICE RATES During each monthly billing period: A Customer Charge of \$32.25 plus The First 250 Ccf @ \$ 0.11540 per Ccf All Over 250 Ccf @ \$ 0.08780 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchises fees) related to above. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Schedule dated Meters Read On or After October 30, 2007 July 31, 2008

ORD-SJC-COS-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region RATE SCHEDULE ORD-SJC-COS CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and transportation customers. TERRITORY Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas. DESCRIPTION Pursuant to the 2008 Annual Cost of Service Adjustment (COSA) filing dated 4/1/08, the cities of Port Arthur, Port Neches, Nederland and Groves in the South Jefferson County Service Area passed (via ordinances listed below) an increase in gas sales and standard transport cost of service rates (both volumetric and customer charge) effective for meters read on and after July 31, 2008. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Effective Date of Transport Rate Schedules Port Arthur 08-51 05/07/2008 07/31/2008 07/31/2008 Port Neches 2008-05 05/15/2008 07/31/2008 07/31/2008 Nederland 2008-11 05/05/2008 07/31/2008 07/31/2008 Groves 2008-11 05/12/2008 07/31/2008 07/31/2008 Meters Read On or After Initial July 31, 2008

ORD-SJC-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region RATE SCHEDULE ORD-SJC CITY ORDINANCE LISTING

APPLICABILITY Applicable to all gas sales and transportation customers.

TERRITORY Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas.

DESCRIPTION Per our rate case filed 7/10/07, the following cities approved changes to Rate Schedule 10, 20 and 40 for Gas Sales Customers and Rate Schedule T-4 and T-Gen for Transportation Customers. In addition, the cities approved a new Cost of Service Adjustment Clause, Rate Schedule 1-1.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7614

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

City approvals are as follows:

City Ordinance #	Date Ordinance Passed	Effective Date of Gas Sales Rate Schedules	Effective Date of Transport Rate Schedules
Port Arthur 07-84	10/23/2007	10/30/2007	10/30/2007
Port Neches 2007-17	11/01/2007	10/30/2007	10/30/2007
Nederland 2007-14	10/22/2007	10/30/2007	10/30/2007
Groves 2007-20	10/29/2007	10/30/2007	10/30/2007

Supersedes Same Rate Schedule dated
Meters Read On or After
April 28, 2006

October 30, 2007

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7614

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SCHEDULE ID

DESCRIPTION

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009

RCAS-Rider-SJ0th-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE RCAS-RIDER RATE CASE APPEAL SURCHARGE A. APPLICABILITY The Rate Case Appeal Surcharge (RCAS) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 9465, Appeal of Texas Gas Service Company From the Action From the Cities of Port Neches, Nederland, Groves, TX. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Nederland, Groves and Port Neches, Texas: 10, 20, 40, C-1, CNG-1 and T-4. B. RCAS RATE

GAS SERVICES DIVISION
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TARIFF CODE: DS RRC TARIFF NO: 7614

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

All Ccf during each billing period: \$0.01066 per Ccf This rate will be in effect until all approved revenues are recovered under the applicable rate schedules. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchises fees) related to above. D. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Initial Rate Schedule
Meters Read On and After July 31, 2008

RCE-Rider-SJC-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE RCE-RIDER RATE CASE EXPENSE SURCHARGE A. APPLICABILITY The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinance No's 07-84 (Port Arthur), 2007-14 (Nederland), 2007-17 (Port Neches) and 2007-20 (Groves) and the referenced October 12, 2007 letter from P & L Concepts, Inc. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Port Neches and Groves, Texas: 10, 20, 40, C-1, CNG-1, and T-4. B. RCE RATE All Ccf during each billing period: \$0.0034 per Ccf This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchises fees) related to above. D. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Initial Rate Schedule
Meters Read On and After July 31, 2008

RCER-Rider SJ0th-IS

TEXAS GAS SERVICE COMPANY
South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE RCER-RIDER
RATE CASE EXPENSE AND REFUND RATE
A.
APPLICABILITY
The Rate Case Expense and Refund (RCER) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 9465, Appeal of Texas Gas Service Company From the Action From the Cities of Port Neches, Nederland, Groves, TX. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Nederland, Groves and Port Neches, Texas: 10, 20, 40, C-1, CNG-1, T-4 and T-5.
B.
RCER RATE
All Ccf during each billing period:
\$0.0267 per Ccf This rate will be in effect until all approved and expended rate case expenses (net of refunds to customers) are recovered under the applicable rate schedules.

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7614

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

C.

OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule

Meters Read On and After
 September 29, 2004

WNA-SJC-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area RATE SCHEDULE
 WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves & Port Neches : 10, 20, and 40. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Supersedes Same Rate Schedule Dated Meters Read On and After August 27, 2004 (Cities of Nederland, Port Neches and Groves) April 28, 2006

RATE ADJUSTMENT PROVISIONS

See 1-1-SJC-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT PROVISION)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7614

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8903	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7614

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8904	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: GUD 9465 CITY ORDINANCE NO: See ORD-SJC-COS-IS & ORD-SJC-IS

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	20_Commercial Sales_South Jef Cty Svc Area - Incorpor. Port Arthur, Groves, Nederland & Port Neches, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7625

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/04/1992 ORIGINAL CONTRACT DATE: 04/27/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7625

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

1-1-SoJef-OS-COG

TEXAS GAS

SERVICE COMPANY

South Jefferson County

Service Area - Gulf Coast Region

RATE

SCHEDULE NO. 1-1

COST OF

GAS CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7625

RATE SCHEDULESCHEDULE IDDESCRIPTION

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7625

RATE SCHEDULESCHEDULE IDDESCRIPTION

over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7625

RATE SCHEDULESCHEDULE IDDESCRIPTION

shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7625

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

1Y-SoJef-OS-Res AC

TEXAS GAS SERVICE

COMPANY

South Jefferson County Service Area

- Gulf Coast Region

RATE SCHEDULE 1Y

RESIDENTIAL

AIR CONDITIONING SERVICE RATE

APPLICABILITY

Applicable to residential consumers who have and regularly operate a gas fired air-conditioning system.

TERRITORY

Unincorporated areas served in Jefferson County, Texas including Port Arthur, Port Neches, Nederland and Groves, Texas.

COST OF SERVICE RATES

During each monthly billing period:

A Customer Charge of \$6.20 plus May-Oct. Nov. -AprilFirst 10 Ccf per
month \$.2155 \$.2155

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Next 15 Ccf per month	.1526	.1526
Next 15 Ccf per month	.1104	.1526
Next 210 Ccf per month	.1068	.1475
Next 250 Ccf per month	.0903	.1279
All Over 500 Ccf per month	.0753	.1064

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1. Prompt Payment Provision: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid.

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
2. Air conditioning unit(s) must be inspected and verified as to service ability by qualified Company personnel.

Supersedes Same Rate Schedule Dated
 Meters Read On and After February 13, 1992
 May 4, 1992

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7625

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7625

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CONS. CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1Y_Residential A/C Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7626

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/04/1992 ORIGINAL CONTRACT DATE: 04/27/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7626

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

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DESCRIPTION

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

GAS SERVICES DIVISION
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TARIFF CODE: DS RRC TARIFF NO: 7626

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DESCRIPTION

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

1Z-SoJef-OS-Res

COMPANY

TEXAS GAS SERVICE

South Jefferson County Service Area

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7626

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- Gulf Coast Region

RATE SCHEDULE 1Z
RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to residential consumers for all purposes.

TERRITORY

Unincorporated areas served in Jefferson County, Texas in the vicinity of Port Arthur, Port Neches, Nederland and Groves, Texas.

COST OF SERVICE RATES

During each monthly billing period:

A Customer Charge of \$6.20 plus

First	10 Ccf per monthly billing period @ \$.2155 per Ccf	
Next	30	.1526
Next	210	.1475
Next	250	.1279
All Over	500	.1064

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1.

Prompt Payment Provision: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid.

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Supersedes Same Sheet Dated

Meters Read On or After February 13, 1992

May 4, 1992

PSF-All-ISOS-PipeFee TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total

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DESCRIPTION

amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master

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 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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DESCRIPTION

meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7626

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7626

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CONS. CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1Z_Residential Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7627

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/04/1992 ORIGINAL CONTRACT DATE: 04/27/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7627

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7627

RATE SCHEDULESCHEDULE IDDESCRIPTION

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7627

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

2A-SoJef-OS-Com AC

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
 RATE SCHEDULE 2A COMMERCIAL AIR CONDITIONING SERVICE
 RATEAPPLICABILITYApplicable to all commercial consumers who have and regularly operate a gas fired air-conditioning system.TERRITORYUnincorporated areas served in

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7627

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Jefferson County, Texas including Port Arthur, Port Neches, Nederland and Groves, Texas. COST OF SERVICE RATES During each monthly billing period: A Customer Charge of \$7.25 plus Nov. - Apr. First 10 Ccf per monthly billing period @ \$.2293 per Ccf Next 30 .1798 Next 210

.1743 Next 250
.1360 All Over 500 .1131

May - Oct. All Ccf per monthly billing period @ \$.0726 per Ccf

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1. Prompt Payment

Provision: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid. Supersedes Same Sheet Dated Meters Read On and After February 13, 1992 (Revised) May 4, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7627

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008

March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7627

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
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8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
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8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
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<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
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<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7627

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
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<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CONS. CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2A_Commercial A/C Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7628

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 05/04/1992 ORIGINAL CONTRACT DATE: 04/27/1992 RECEIVED DATE: 04/08/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7628

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7628

RATE SCHEDULESCHEDULE IDDESCRIPTION

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

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- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

2Z-SoJef-OS-Com

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
 RATE SCHEDULE 2Z COMMERCIAL SERVICE RATE APPLICABILITY Applicable to
 commercial consumers for all purposes and all other consumers not otherwise
 specifically provided for. TERRITORY Unincorporated areas served in Jefferson County,

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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DESCRIPTION

last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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GAS SERVICES DIVISION
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<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CONS. CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2Z_Commercial Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/31/2008 ORIGINAL CONTRACT DATE: 07/31/2008 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-INC-SJC-IS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-1-INC South Jefferson County Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its South Jefferson County Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the appropriate regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

charges provided for herein or as approved by the regulatory authority. (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas calculation. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any. This report shall be filed concurrently with the Cost of Gas Statement for October. Supersedes Same Sheet Dated
Meters Read On and After 8/27/04 (Cities of Nederland, Groves & Port Neches) April 28, 2006 & 12/23/02 (City of Port Arthur)

1-1-SJC-IS-COSAdj

TEXAS GAS SERVICE COMPANY
South Jefferson County Service Area
RATE SCHEDULE 1-1
COST OF SERVICE ADJUSTMENT CLAUSE

A. APPLICABILITY

This Cost of Service Adjustment Clause applies to all gas sales and standard transportation service rate schedules of Texas Gas Service Company (the Company) currently in force in the Company's service area within the incorporated areas of Port Arthur, Nederland, Groves and Port Neches, Texas (individually the City and collectively the Cities).

B. EFFECTIVE DATE

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year.

C. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the most recent calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the most recent rate case or the most recent cost of service adjustment filing.

1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

RATE SCHEDULE

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DESCRIPTION

Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and cash working capital approved in the most recent general rate case.

3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (from most recent general rate case)

4. Cost of Service Adjustment Rate The total amount to be collected through the cost of service adjustment rate (the Adjustment Amount) will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the revenue requirement from the most recent rate case or the most recent cost of service adjustment filing. The difference shall be allocated among all customer classes in the same manner as approved in the most recent general rate case. For each customer class, seventy percent (70%) of the Adjustment Amount will be collected by adjusting monthly customer charges. This will be accomplished by dividing 70% of the Adjustment Amount by the total number of current calendar year bills to determine a per bill rate. This rate will be added to the current customer charge on the applicable rate schedule. Thirty percent (30%) of the Adjustment Amount will be collected by adjusting the volumetric rate of all customer classes. This will be accomplished by dividing 30% of the Adjustment Amount by total weather-normalized volumes for the applicable calendar year to determine a per unit rate. This rate will be added to the current volumetric rate(s) per Ccf on the applicable rate schedule.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

This Cost of Service Adjustment Clause does not limit the legal rights and duties of the Cities, and shall be presumed not approved unless and until the City has taken affirmative action thereupon. The Cities will have a period not to exceed ninety (90) days from the date of filing within which to review and approve or deny the proposed annual rate adjustment. If the Cities do not make a final determination within 90 days, the proposed annual rate adjustment will be considered to have been denied. Upon approval, the annual rate adjustment will take effect with the first billing cycle of August of each year.

Initial Rate Schedule Meters Read On and After

October 30, 2007

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area RATE

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION																				
40-SJC-IS-PubA&Sch	<p>SCHEDULE 40 PUBLIC AUTHORITY AND SCHOOLS SERVICE RATE APPLICABILITY</p> <p>Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas. COST OF SERVICE RATES During each monthly billing period: A</p> <p>Customer Charge of \$33.53 plus The</p> <p>First 250 Ccf @ \$ 0.18290 per Ccf</p> <p>All Over 250 Ccf @ \$ 0.15710 per Ccf</p> <p>OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchises fees) related to above. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Schedule dated Meters Read On or After October 30, 2007 July 31, 2008</p>																				
ORD-SJC-COS-IS	<p>TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region</p> <p>RATE SCHEDULE ORD-SJC-COS CITY ORDINANCE LISTING APPLICABILITY</p> <p>Applicable to all gas sales and transportation customers. TERRITORY Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas. DESCRIPTION Pursuant to the 2008 Annual Cost of Service Adjustment (COSA) filing dated 4/1/08, the cities of Port Arthur, Port Neches, Nederland and Groves in the South Jefferson County Service Area passed (via ordinances listed below) an increase in gas sales and standard transport cost of service rates (both volumetric and customer charge) effective for meters read on and after July 31, 2008. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Effective Date of Transport Rate Schedules</p> <table border="1"> <tr> <td>Port Arthur</td> <td>08-51</td> <td>05/07/2008</td> <td>07/31/2008</td> <td>07/31/2008</td> </tr> <tr> <td>Port Neches</td> <td>2008-05</td> <td>05/15/2008</td> <td>07/31/2008</td> <td>07/31/2008</td> </tr> <tr> <td>Nederland</td> <td>2008-11</td> <td>05/05/2008</td> <td>07/31/2008</td> <td>07/31/2008</td> </tr> <tr> <td>Groves</td> <td>2008-11</td> <td>05/12/2008</td> <td>07/31/2008</td> <td>07/31/2008</td> </tr> </table> <p>Meters Read On or After Initial July 31, 2008</p>	Port Arthur	08-51	05/07/2008	07/31/2008	07/31/2008	Port Neches	2008-05	05/15/2008	07/31/2008	07/31/2008	Nederland	2008-11	05/05/2008	07/31/2008	07/31/2008	Groves	2008-11	05/12/2008	07/31/2008	07/31/2008
Port Arthur	08-51	05/07/2008	07/31/2008	07/31/2008																	
Port Neches	2008-05	05/15/2008	07/31/2008	07/31/2008																	
Nederland	2008-11	05/05/2008	07/31/2008	07/31/2008																	
Groves	2008-11	05/12/2008	07/31/2008	07/31/2008																	
ORD-SJC-IS	<p>TEXAS GAS SERVICE COMPANY</p> <p>South Jefferson County Service Area - Gulf Coast Region</p> <p>RATE SCHEDULE ORD-SJC</p> <p>CITY ORDINANCE LISTING</p> <p>APPLICABILITY</p> <p>Applicable to all gas sales and transportation customers.</p> <p>TERRITORY</p> <p>Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas.</p> <p>DESCRIPTION</p> <p>Per our rate case filed 7/10/07, the following cities approved changes to Rate</p>																				

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Schedule 10, 20 and 40 for Gas Sales Customers and Rate Schedule T-4 and T-Gen for Transportation Customers. In addition, the cities approved a new Cost of Service Adjustment Clause, Rate Schedule 1-1.

City approvals are as follows:

City Ordinance # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules
Effective Date of Transport Rate Schedules

Port Arthur 07-84	10/23/2007	10/30/2007	10/30/2007
Port Neches 2007-17	11/01/2007	10/30/2007	10/30/2007
Nederland 2007-14	10/22/2007	10/30/2007	10/30/2007
Groves 2007-20	10/29/2007	10/30/2007	10/30/2007

Supersedes Same Rate Schedule dated

Meters Read On or After

April 28, 2006

October 30, 2007

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCAS-Rider-SJ0th-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE RCAS-RIDER RATE CASE APPEAL SURCHARGE A. APPLICABILITY The
Rate Case Appeal Surcharge (RCAS) rate as set forth in Section (B) below is
pursuant to Gas Utilities Docket No. 9465, Appeal of Texas Gas Service Company From

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>the Action From the Cities of Port Neches, Nederland, Groves, TX. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Nederland, Groves and Port Neches, Texas: 10, 20, 40, C-1, CNG-1 and T-4. B. RCAS RATE All Ccf during each billing period: \$0.01066 per Ccf This rate will be in effect until all approved revenues are recovered under the applicable rate schedules. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchises fees) related to above. D. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Initial Rate Schedule</p> <p>Meters Read On and After July 31, 2008</p>
RCE-Rider-SJC-IS	<p>TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region</p> <p>RATE SCHEDULE RCE-RIDER RATE CASE EXPENSE SURCHARGE A. APPLICABILITY The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinance No's 07-84 (Port Arthur), 2007-14 (Nederland), 2007-17 (Port Neches) and 2007-20 (Groves) and the referenced October 12, 2007 letter from P & L Concepts, Inc. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Port Neches and Groves, Texas: 10, 20, 40, C-1, CNG-1, and T-4. B. RCE RATE All Ccf during each billing period: \$0.0034 per Ccf This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchises fees) related to above. D. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Initial Rate Schedule</p> <p>Meters Read On and After July 31, 2008</p>
RCER-Rider SJ0th-IS	<p>TEXAS GAS SERVICE COMPANY</p> <p>South Jefferson County Service Area - Gulf Coast Region</p> <p>RATE SCHEDULE RCER-RIDER</p> <p>RATE CASE EXPENSE AND REFUND RATE</p> <p>A.</p> <p>APPLICABILITY</p> <p>The Rate Case Expense and Refund (RCER) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 9465, Appeal of Texas Gas Service Company From the Action From the Cities of Port Neches, Nederland, Groves, TX. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Nederland, Groves and Port Neches, Texas: 10, 20, 40, C-1, CNG-1, T-4 and T-5.</p> <p>B.</p> <p>RCER RATE</p> <p>All Ccf during each billing period:</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

\$0.0267 per Ccf This rate will be in effect until all approved and expended rate case expenses (net of refunds to customers) are recovered under the applicable rate schedules.

C.

OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule
Meters Read On and After
September 29, 2004

WNA-SJC-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area RATE SCHEDULE
WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves & Port Neches : 10, 20, and 40. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Supersedes Same Rate Schedule Dated Meters Read On and After August 27, 2004 (Cities of Nederland, Port Neches and Groves) April 28, 2006

RATE ADJUSTMENT PROVISIONS

See 1-1-SJC-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT PROVISION)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8903	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7635

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8904	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: GUD 9465 CITY ORDINANCE NO: See ORD-SJC-COS-IS & ORD-SJC-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	40_Public Authority Sales_South Jef Cty Svc Area - Incorp. Port Arthur, Groves, Nederland & Port Neches, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7640

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7640

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

1-1-SoJef-OS-COG

TEXAS GAS

SERVICE COMPANY

South Jefferson County

Service Area - Gulf Coast Region

RATE

SCHEDULE NO. 1-1

COST OF

GAS CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7640

RATE SCHEDULESCHEDULE IDDESCRIPTION

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7640

RATE SCHEDULESCHEDULE IDDESCRIPTION

over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7640

RATE SCHEDULESCHEDULE IDDESCRIPTION

shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7640

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

2B-SoJef-OS-LgVoCom

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
 RATE SCHEDULE 2B LARGE VOLUME COMMERCIAL SERVICE
 RATE APPLICABILITY Applicable to any large volume commercial gas consumers who have taken or will take and pay for gas service under this large volume rate for not less than twelve consecutive months. TERRITORY Unincorporated areas served in Jefferson County, Texas in the vicinity of Port Arthur, Port Neches, Nederland and Groves, Texas. COST OF SERVICE RATES During each monthly billing period: A Customer Charge of \$300.00 plus - First 400 Ccf per monthly billing period @ \$.2453 per Ccf All Over 400 @ .1985 per Ccf
 Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1. Prompt Payment Provision: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
 Supersedes Same Sheet Dated Gas Sold On and After February 28, 1991 February 13, 1992

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7640

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7640

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2B_Large Volume Commercial Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7641

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

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- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated
Meters Read On and After
February 13, 1992
August 24, 2001

2J-SoJef-OS-Paro

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE 2J PAROCHIAL SCHOOL SERVICE RATEAPPLICABILITYApplicable
to gas used in parochial schools.TERRITORYUnincorporated areas served in Jefferson
County, Texas in the vicinity of Port Arthur, Port Neches, Nederland and Groves,

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Texas.COST OF SERVICE RATESDuring each monthly billing period:A Customer Charge of \$25.00 plus - All gas @ \$.1976 per CcfCost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1.Prompt Payment Provisions: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid.CONDITIONS1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Sheet Dated Gas Sold On and After February 28, 1991 February 13, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer;

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(C) the date or dates on which the surcharge was billed to customers; and
 (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

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>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

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TARIFF CODE: DS RRC TARIFF NO: 7641

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2J_Parochial School Sales_South Jef Cty Svc Area - Environs

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

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(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

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- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated
 Meters Read On and After
 February 13, 1992
 August 24, 2001

2K-SoJef-OS-Paro AC TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
 RATE SCHEDULE 2K PAROCHIAL SCHOOL AIR CONDITIONING SERVICE
 RATEAPPLICABILITYApplicable to parochial schools who have and regularly operate a
 gas fired air-conditioning system.TERRITORYUnincorporated areas served in Jefferson

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TARIFF CODE: DS RRC TARIFF NO: 7642

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SCHEDULE ID

DESCRIPTION

County, Texas including Port Arthur, Port Neches, Nederland and Groves, Texas. COST OF SERVICE RATES During each monthly billing period: A Customer Charge of \$6.50 plus - Nov. - May May - Oct. All gas @ \$.1976 per Ccf \$.0700 per Ccf Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1. Prompt Payment Provisions: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rates on Schedule 4H. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Sheet Dated Gas Sold On and After December 1, 1990 February 13, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7642

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:</p> <p>(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009</p>

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7642

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7642

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2K_Parochial School A/C Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7643

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7643

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7643

RATE SCHEDULESCHEDULE IDDESCRIPTION

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7643

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

3A-SoJef-OS-Ind AC

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
 RATE SCHEDULE 3A INDUSTRIAL AIR CONDITIONING SERVICE
 RATEAPPLICABILITYApplicable to all industrial consumers who have and regularly operate a gas fired air-conditioning system.TERRITORYUnincorporated areas served in

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7643

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Jefferson County, Texas including Port Arthur, Port Neches, Nederland and Groves, Texas. COST OF SERVICE RATES During each monthly billing period: A Customer Charge of \$6.50 plus - Nov. - Apr. First 10 Ccf per monthly billing period @ \$.2348 per Ccf Next 30 @ .1652 Next 210 @ .1609 Next 250 @ .1381 All Over 500 @ .1143 May - Oct. First 10 Ccf per monthly billing period @ \$.0700 per Ccf Next 30 @ .0700 Next 210 @ .0700 Next 250 @ .0700 All Over 500

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1. Prompt Payment Provision: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rate on Schedule 3Z or 3B as appropriate. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Schedule Dated Gas Sold On and After February 28, 1991 (Revised) February 13, 1992 (Revised)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7643

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849;

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY**TARIFF CODE: DS RRC TARIFF NO: 7643****RATE SCHEDULE**SCHEDULE IDDESCRIPTION

amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective
April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex
Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7643

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7643

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3A_Industrial A/C Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7644

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7644

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7644

RATE SCHEDULESCHEDULE IDDESCRIPTION

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7644

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

3B-SoJef-OS-LgVoInd

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE 3B LARGE VOLUME INDUSTRIAL SERVICE
RATEAPPLICABILITYApplicable to any large volume industrial gas consumers who have taken or will take and pay for gas service under this large volume rate for not

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7644

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

less than twelve consecutive months.TERRITORYUnincorporated areas served in Jefferson County, Texas in the vicinity of Port Arthur, Port Neches, Nederland and Groves, Texas.COST OF SERVICE RATESDuring each monthly billing period:A Customer Charge of \$300.00 plus - First 400 Ccf per monthly billing period @ \$.2374 per CcfAll Over 400 @ .1772 per CcfCost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1.Prompt Payment Provision: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid.CONDITIONS1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. Supersedes Same Sheet Dated Gas Sold On and After February 28, 1991 February 13, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7644

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008

March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7644

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7644

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3B_Large Volume Industrial Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7645

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7645

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7645

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

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- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

3Z-SoJef-OS-Ind

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE 3Z INDUSTRIAL SERVICE RATEAPPLICABILITYApplicable to
industrial consumers for all purposes.TERRITORYUnincorporated areas served in
Jefferson County, Texas in the vicinity of Port Arthur, Port Neches, Nederland and

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Groves, Texas.COST OF SERVICE RATESDuring each monthly billing period:A Customer Charge of \$6.50 plus - First 10 Ccf per monthly billing period @ \$.2348 per CcfNext 30 .1652 Next 210 .1609 Next 250 .1381 All Over 500 .1143 Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1.Prompt Payment Provision: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid.CONDITIONS1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Schedule Dated Gas Sold On and After February 28, 1991 February 13, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the

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last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7645

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3Z_Industrial Sales_South Jef Cty Svc Area - Environs

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7646

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

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(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

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- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

4A-SoJef-OS-PubA AC TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
 RATE SCHEDULE 4A PUBLIC AUTHORITY AIR CONDITIONING SERVICE
 RATEAPPLICABILITYApplicable to all public authority consumers who have and regularly operate a gas fired air-conditioning system.TERRITORYUnincorporated areas

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RATE SCHEDULE

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DESCRIPTION

served in Jefferson County, Texas including Port Arthur, Port Neches, Nederland and Groves, Texas. COST OF SERVICE RATES During each monthly billing period: A Customer Charge of \$6.50 plus - Nov. - Apr. First 10 Ccf per monthly billing period @ \$.2283 per Ccf Next 30 .1650 Next 210 .1594 Next 250 .1344 All Over 500 .1133
May - Oct. All Ccf per monthly billing period @ \$.0700 per Ccf Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1. Prompt Payment Provision: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rate on Schedule 4Z or 4B as appropriate. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Schedule Dated Gas Sold On and After February 28, 1991 February 13, 1992 (Revised)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator

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SCHEDULE ID

DESCRIPTION

paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7646

RATE SCHEDULE	
<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	March 31, 2009

RATE ADJUSTMENT PROVISIONS
None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7646

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
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8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
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8907	N	Ccf	\$.3927	06/01/2009
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<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7646

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<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
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8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4A_Public Authority A/C Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7647

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7647

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7647

RATE SCHEDULESCHEDULE IDDESCRIPTION

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated
Meters Read On and After
February 13, 1992
August 24, 2001

4B-SoJef-OS-LgVoPubA TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE 4B LARGE VOLUME PUBLIC AUTHORITY SERVICE
RATEAPPLICABILITYApplicable to any large volume public authority gas consumers who have taken or will take and pay for gas service under this large volume rate for

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

not less than twelve consecutive months.TERRITORYUnincorporated areas served in Jefferson County, Texas in the vicinity of Port Arthur, Port Neches, Nederland and Groves, Texas.COST OF SERVICE RATESDuring each monthly billing period:A Customer Charge of \$300.00 plus -First 400 Ccf per monthly billing period @ \$.2448 per CcfAll Over 400 Ccf per monthly billing period @ .1849 per CcfCost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1.Prompt Payment Provision: The rates set forth are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid.CONDITIONS1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Schedule Dated Gas Sold On and After February 28, 1991 February 13, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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RATE SCHEDULE

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RATE ADJUSTMENT PROVISIONS

None

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GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

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<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4B_Large Volume Public Authority Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7648

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7648

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7648

RATE SCHEDULESCHEDULE IDDESCRIPTION

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7648

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

4H-SoJef-OS-PubSch TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE 4H PUBLIC SCHOOL SERVICE RATEAPPLICABILITYApplicable to
gas used in public schools.TERRITORYUnincorporated areas served in Jefferson
County, Texas in the vicinity of Port Arthur, Port Neches, Nederland and Groves,

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7648

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Texas.COST OF SERVICE RATESDuring each monthly billing period:A Customer Charge of \$25.00 plus -All gas @ \$.1747 per CcfCost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1.Prompt Payment Provision: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid.CONDITIONS1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Schedule Dated Gas Sold On and After February 28, 1991 February 13, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer;

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7648

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(C) the date or dates on which the surcharge was billed to customers; and (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7648

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7648

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4H_Public School Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7649

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7649

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7649

RATE SCHEDULESCHEDULE IDDESCRIPTION

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7649

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

4I-SoJef-OS-PubSchAC TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
 RATE SCHEDULE 4I PUBLIC SCHOOL AIR CONDITIONING SERVICE
 RATEAPPLICABILITYApplicable to public schools who have and regularly operate a gas fired air conditioning system.TERRITORYUnincorporated areas served in Jefferson

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7649

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

County, Texas including Port Arthur, Port Neches, Nederland, and Groves. COST OF SERVICE RATES During each monthly billing period: A Customer Charge of \$6.50 plus - Nov. - Apr. May - Oct. All gas @ \$.1747 per Ccf \$.0700 per Ccf Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-1. Prompt Payment Provision: The rates set forth above are net for prompt payment. After 15 days following rendering of the bill, an additional five percent penalty will be added if the bill has not been paid. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rates on Schedule 4H. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Schedule Dated Gas Sold On and After February 28, 1991 February 13, 1992 (Revised)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7649

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7649

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7649

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4I_Public School A/C Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7650

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-SoJef-OS-COG		TEXAS GAS
	SERVICE COMPANY	
		South Jefferson County
	Service Area - Gulf Coast Region	
		RATE
	SCHEDULE NO. 1-1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7650

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7650

RATE SCHEDULESCHEDULE IDDESCRIPTION

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7650

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

4Z-SoJef-OS-PubA

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
 RATE SCHEDULE 4Z PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable
 to public authority consumers for all purposes. TERRITORY Unincorporated areas served
 in Jefferson County, Texas in the vicinity of Port Arthur, Port Neches, Nederland

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7650

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

and Groves, Texas. COST OF SERVICE RATES During each monthly billing period: A
Customer Charge of \$6.50 plus -First 10 Ccf per monthly billing period @ \$.2283
per Ccf Next 30 .1650 Next 210 .1344
.1594 Next 250 .1113 Cost of Gas
All Over 500
Component: The basic rates for cost of service set forth above shall be increased
by the amount of the Cost of Gas Component for the billing month computed in
accordance with the provisions of Rate Schedule 1-1. Prompt Payment Provision: The
rates set forth are net for prompt payment. After 15 days following rendering of
the bill, an additional five percent penalty will be added if the bill has not been
paid. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's
rules and regulations on file with the regulatory authority. Supersedes Same
Rate Sheet Dated Gas Sold On and After February 28, 1991 February 13,
1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7650

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008

March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7650

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7650

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8033 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4Z_Public Authority Sales_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7654

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 02/15/2008 ORIGINAL CONTRACT DATE: 02/15/2008 RECEIVED DATE: 06/17/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE: 06/26/2009

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION									
EDR-EPSvcA-IS-EcDev	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE EDR ECONOMIC DEVELOPMENT RATE A. APPLICABILITY This Economic Development Rate (EDR) rate schedule shall apply to the following rate schedules for the incorporated areas of the El Paso Service Area: 10, 20, 21, 25, 26, 27, 40, C-1 and T-1. B. TERRITORY Incorporated Areas of the El Paso Service Area - Cities of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas C. PURPOSE This rate schedule provides for the recovery of costs that TGS incurs related to economic development in the El Paso Service Area. Successful economic development will only occur to the extent that the community and its corporate partners provide the necessary support to attract new businesses and industries to this region. New businesses and industries will increase employment, spur growth and local business expansion, create a more robust economy and improve the quality of life for the region. D. EDR RATE The EDR rate: During each Monthly Billing Period All Ccf @ \$.002 per Ccf All applicable fees and taxes will be added to the EDR rates. D. BILLING 1. The EDR rate shall be included as a component of the Company's Cost of Gas (per Ccf rate) for rate schedules: 10, 20, 21, 22, 25, 26, 27, 40 and C-1. 2. The EDR rate shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: T-1. Supersedes Same Rate Schedule Dated Meters Read On and After September 3, 2004 (City of El Paso) February 15, 2008 September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)</p>									
IRA-EPSvcA-IS-IRAAdj	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE IRA INTERIM RATE ADJUSTMENT 2007 A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the incorporated areas of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas. Applicable rate schedules include 10, 20, 21, 25, 26, 27, 40, SS, C-1, T-1. B. PURPOSE Section 104.301, Subchapter G of the Texas Utility Code, effective on September 1, 2003, provides for an interim adjustment in a gas utility's monthly customer charge or initial block usage rate to recover the cost of changes in the utility's infrastructure investment and related expenses and revenues for providing gas utility service. The filing date of the utility's most recent rate case establishing rates for the area in which the interim rate adjustment will apply shall be no more than two years prior to the date the utility files its initial interim rate adjustment application for that area. The interim adjustment shall be recalculated on an annual basis, unless the utility files a written request and obtains approval from the regulatory authority to suspend the operation of the interim adjustment rate schedule for any year. This rate schedule establishes the interim adjustment provisions consistent with Section 104.301, Subchapter G of the Texas Utility Code. C. BILLING The following Interim Rate Adjustments will be added to the applicable Rate Schedule Customer Charge for each monthly billing period: Rate Schedule Customer Class IRA</p> <table border="1"> <tr> <td>10</td> <td>Residential</td> <td></td> </tr> <tr> <td>\$ 0.30</td> <td>20 Commercial</td> <td></td> </tr> <tr> <td></td> <td>21 Commercial A/C</td> <td>\$ 1.00</td> </tr> </table>	10	Residential		\$ 0.30	20 Commercial			21 Commercial A/C	\$ 1.00
10	Residential									
\$ 0.30	20 Commercial									
	21 Commercial A/C	\$ 1.00								

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7654

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>			
		\$ 1.00	25	Public Authority
		\$ 3.21	26	
	Public Authority A/C		\$ 3.21	27
	Municipal Water Pumping		\$ 18.63	40
	Industrial			\$ 12.51
	SS		Stand By Service	\$
12.51	C-1		Cogeneration	
	\$ 60.50		T-1	Transportation

\$ 60.50 All applicable fees and taxes will be added to the above rate. D. COMPUTATION OF IRA RATE

The amount the Company shall adjust its utility rates upward or downward under this rate schedule each calendar year is based on the difference between the value of the invested capital for the preceding calendar year and the value of the invested capital for the calendar year preceding that calendar year. The value of the invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment. Based on the difference between the values of the invested capital amounts as determined above, the Company may adjust only the following related components of its revenue requirement: return on investment, depreciation expense, ad valorem taxes, revenue related taxes and incremental federal income taxes. The factors for these components shall be the same as those established in the Company's most recent rate case for the service area in which this interim rate adjustment is to be implemented. The revenue requirement calculated pursuant to this rate schedule shall be allocated among the Company's customer classes for this service area in the same manner as the cost of service was allocated among customer classes in the Company's latest effective rates for this area.

E. FILING WITH THE REGULATORY AUTHORITY 1. The Company shall file either the initial interim adjustment or the annual interim adjustment with the regulatory authority at least 60 days before the proposed implementation date. During the 60-day period, the regulatory authority may act to suspend implementation of the adjustment. 2. The Company shall provide notice to customers by bill insert or direct mail not later than the 45th day after the date of filing the interim adjustment. 3. The Company shall file with the regulatory authority an annual report describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year. The annual report shall also state the cost, need, and customers benefited by the change in investment. 4.

In addition, the Company shall file with the regulatory authority an annual earnings monitoring report demonstrating the Company's earnings during the preceding calendar year. Should the Company earn a return of more than 75 basis points above the return established in the latest effective rates implemented under this rate schedule, the Company shall file a statement stating the reasons why the rates are not unreasonable or in violation of the law. 5. After the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, any change in investment that has been included in an approved interim adjustment shall no longer be subject to subsequent review for reasonableness or prudence. All amounts collected under this rate schedule are subject to refund until the issuance of a final decision in the next rate case filing for this service area. 6. The Company shall file a rate case not later than the 180th day after the fifth anniversary date its initial interim rate adjustment for this service area became effective. 7. The provisions under Section 104.301, Subchapter G of the Texas

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7654

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
	<p>Utility Code for this interim adjustment do not limit the power of the regulatory authority under Section 104.151. Supersedes Rate Schedule ICR dated Meters Read On and After September 3, 2004 (City of El Paso) September 5, 2008 Rate Schedule IRA dated July 22, 2008 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)</p>
ORD-EPSvcA-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-ELP CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS rate case filed 08/31/07, the following cities approved the same Cost of Gas Clause, Economic Development Rate, General Charges and Provisions for Transport Service (T-GEN), Quality of Service Rules and Cost of Service rates for gas sales and standard transport. City approvals are as follows: City Ordinance or Resolution # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Anthony 370 01/08/08 02/15/2008 Clint -- 01/15/08 02/15/2008 El Paso -- 02/05/08 02/15/2008 Horizon City -- 01/08/08 02/15/2008 Socorro 356 01/17/08 02/15/2008 Vinton 08-1-15 01/15/08 02/15/2008 Initial February 15, 2008</p>
1-1-INC-EPSvcA-IS-CO	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE NO. 1-1-INC COST OF GAS CLAUSE</p> <p>A. APPLICABILITY</p> <p>This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its El Paso Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. Transportation costs shall be inclusive of all upstream transportation costs imposed by the transportation service providers and shall include, but not be limited to, pipeline reservation charges, transportation commodity charges, applicable line loss charges, balancing charges, penalties, and any other related costs and expenses. The Cost of Purchased Gas shall also include any surcharge or refund the Company may receive from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. No costs of natural gas financial instruments purchased from or sold to companies affiliated with the Company shall be allowed.</p> <p>2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULESCHEDULE IDDESCRIPTION

otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment to correct any known and quantifiable under or over collection prior to the end of the reconciliation period.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component, Economic Development Rate, FERC Intervention Costs, Uncollectible Cost of Gas and applicable taxes and fees, including franchise fees.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and/or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs and (g) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and /or commodity balancing provisions under the transportation

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs.

8. Economic Development Cost Recovery - The rate per billing unit pursuant to Rate Schedule EDR.

9. FERC Intervention Costs - costs prudently incurred from outside vendors and attorneys after January 1, 2008 for the purpose of protecting the interest of sales customers in the El Paso Service Area in connection with negotiating Federal Energy Regulatory Commission (FERC) related issues with upstream pipelines or intervention and participation in proceedings at the FERC. FERC Intervention Costs may also include prudently incurred internal travel expenses related to this purpose.

10. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas and recorded in Account No. 1910106 as of the end of each reconciliation period. C. BILLING OF COST OF GAS In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Vinton only a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement Agreement payments allocated to the Village of Vinton are collected by the Company in accordance with the Settlement Agreement.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph F below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the monthly balance

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULESCHEDULE IDDESCRIPTION

multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the monthly balance multiplied by six percent (6%).

F. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost storage, or gas stored except as prudently and necessarily needed to serve general sales customers in this service area.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Economic Development Rate; (f) the fees (including franchise fees) and taxes; and (g) the Cost of Gas which is the total of items (b) through (f). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall be verified under oath and include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general

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DESCRIPTION

service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The summary shall include monthly detail and statement of all amounts included other than the gas purchased in sufficient detail for evaluation. The detail for any FERC Intervention costs activities performed and costs incurred on behalf of El Paso Service Area sales customers. This report shall be filed concurrently with the Cost of Gas Statement for December. The Company shall provide complete detail within 20 days of request by a representative of the City of El Paso or other municipality.

I. SUPPORTING MATERIAL ACCOMPANYING ANNUAL RECONCILIATION REPORT

The Company shall file supporting materials with its Annual Reconciliation Report to demonstrate that gas costs were acquired during ordinary and atypical periods at the lowest prudently incurred price and necessary to provide reliable service to retail customers.

Supersedes Same Rate Schedule Dated Meters Read On and After

September 3, 2004 (City of El Paso) February 15, 2008
September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

10-EPSvcA-IS-Res

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE 10 RESIDENTIAL SERVICE RATE APPLICABILITY Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes, including any public housing project and including apartment houses where service for more than one dwelling unit is served through a master meter. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY The incorporated areas of El Paso, Anthony, Clint, Horizon City, Socorro, and Vinton, Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$10.50 plus The First 200 Ccf No Charge All Over 200 Ccf \$.08772 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1-INC multiplied by the total Ccf consumed during the billing month. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. The applicability section of this rate notwithstanding, if a customer, other than a full requirement customer, pays a standby charge pursuant to Rate Schedule S.S., Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Rate Schedules Meters Read On and After 10 and 11 dated August 30, 2006 February 15, 2008

ORD-IRA-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 5/23/08, the following cities approved the same Interim Rate Adjustment rates for

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

both gas sales and standard transport. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules Anthony* No Action Via Operation of Law 7/22/08 9/5/08 Clint* No Action Via Operation of Law 7/22/08 9/5/08 Horizon City* No Action Via Operation of Law 7/22/08 9/5/08 Socorro* No Action Via Operation of Law 7/22/08 9/5/08 Vinton* No Action Via Operation of Law 7/22/08 9/5/08 El Paso Resolution dated 8/26/08 8/26/08 9/5/08 *Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 8/26/2008 with City of El Paso. The Company chose to implement revised Rate Schedule IRA in the Cities of Anthony, Clint, Horizon City, Socorro and Vinton effective September 5, 2008. These Cities were previously on Rate Schedule IRA dated Meters Read On and After July 22, 2008. Supersedes same Rate Schedule dated July 22, 2008 Effective September 5, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7654

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

TF-HacDel-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - HACIENDAS DEL VALLE TAPPING FEE RATE - HACIENDAS DEL VALLE
COLONIA A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Haciendas Del Valle Colonia.
B. TERRITORY Haciendas Del Valle Colonia in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.63 Initial Rate Meters Read On

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7654

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

and After August 30, 2006

TF-Jones-Socorro-IS TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - JONES TAPPING FEE RATE - JONES SUBDIVISION A.
APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Jones Subdivision. B. TERRITORY Jones Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 7.82
Initial Rate Meters Read On and After May 20, 2009

TF-Poole-Socorro-IS TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - POOLE TAPPING FEE RATE - POOLE SUBDIVISION
A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Poole Subdivision.
B. TERRITORY Poole Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 6.29
Initial Rate Meters Read On and After July 11, 2008

TF-VAcres-Socorro-IS TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - VINEDO ACRES TAPPING FEE RATE - VINEDO ACRES/F.E. JACKSON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Vinedo Acres/F.E. Jackson Subdivision. B. TERRITORY Vinedo Acres/F.E. Jackson Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.37. Initial Rate Meters Read On and After November 30, 2005

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 7654

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8883	N	Ccf	\$.4893	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.5186	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.5995	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.6287	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.6010	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7654

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8886	N	Ccf	\$.6302	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.3456	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: ORD-IRA-EPSvcA & ORD-EPSvcA

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Eff 05/20/09, initial Tapping Fee Rate Schedule TF-Jones-Socorro-IS is added for incorporated Socorro, TX.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	10_Residential Sales_El Paso Svc Area - Incorp. El Paso, Anthony, Clint, Vinton, Socorro & Horizon City, TX

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7655

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/15/2008 ORIGINAL CONTRACT DATE: 02/15/2008 RECEIVED DATE: 06/17/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-INC-EPSvcA-IS-CO	TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE NO. 1-1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its El Paso Service Area. B. DEFINITIONS 1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. Transportation costs shall be inclusive of all upstream transportation costs imposed by the transportation service providers and shall include, but not be limited to, pipeline reservation charges, transportation commodity charges, applicable line loss charges, balancing charges, penalties, and any other related costs and expenses. The Cost of Purchased Gas shall also include any surcharge or refund the Company may receive from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. No costs of natural gas financial instruments purchased from or sold to companies affiliated with the Company shall be allowed. 2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 3. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment to correct any known and quantifiable under or over collection prior to the end of the reconciliation period. 4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7655

RATE SCHEDULESCHEDULE IDDESCRIPTION

Economic Development Rate, FERC Intervention Costs, Uncollectible Cost of Gas and applicable taxes and fees, including franchise fees.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and/or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs and (g) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and /or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs.

8. Economic Development Cost Recovery - The rate per billing unit pursuant to Rate Schedule EDR.

9. FERC Intervention Costs - costs prudently incurred from outside vendors and attorneys after January 1, 2008 for the purpose of protecting the interest of sales customers in the El Paso Service Area in connection with negotiating Federal Energy Regulatory Commission (FERC) related issues with upstream pipelines or intervention and participation in proceedings at the FERC. FERC Intervention Costs may also

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DESCRIPTION

include prudently incurred internal travel expenses related to this purpose.

10. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas and recorded in Account No. 1910106 as of the end of each reconciliation period. C. BILLING OF COST OF GAS In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Vinton only a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement Agreement payments allocated to the Village of Vinton are collected by the Company in accordance with the Settlement Agreement.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph F below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the monthly balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the monthly balance multiplied by six percent (6%).

F. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the

GAS SERVICES DIVISION

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following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost storage, or gas stored except as prudently and necessarily needed to serve general sales customers in this service area.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Economic Development Rate; (f) the fees (including franchise fees) and taxes; and (g) the Cost of Gas which is the total of items (b) through (f). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall be verified under oath and include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The summary shall include monthly detail and statement of all amounts included other than the gas purchased in sufficient detail for evaluation. The detail for any FERC Intervention costs activities performed and costs incurred on behalf of El Paso Service Area sales customers. This report shall be filed concurrently with the Cost of Gas Statement for December. The Company shall provide complete detail within 20 days of request by a representative of the City of El Paso or other municipality.

I. SUPPORTING MATERIAL ACCOMPANYING ANNUAL RECONCILIATION REPORT

The Company shall file supporting materials with its Annual Reconciliation Report

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RATE SCHEDULE

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DESCRIPTION

to demonstrate that gas costs were acquired during ordinary and atypical periods at the lowest prudently incurred price and necessary to provide reliable service to retail customers.

Supersedes Same Rate Schedule Dated Meters Read On and After

September 3, 2004 (City of El Paso) February 15, 2008
September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

20-EPSvcA-IS-Com

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE 20 COMMERCIAL SERVICE RATE APPLICABILITY Applicable to all commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY The incorporated areas of El Paso, Anthony, Clint, Horizon City, Socorro, and Vinton, Texas COST OF SERVICE RATE During each monthly billing period: A customer charge of \$17.30 plus The First 100 Ccf No Charge The Next 400 Ccf \$.10475 per Ccf The Next 2500 Ccf .08472 per Ccf All Over 3000 Ccf .06473 per Ccf
Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1-INC multiplied by the total Ccf consumed during the billing month. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S.S., Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Rate Schedules Meters Read On and After 20 and 22 dated August 30, 2006 February 15, 2008

EDR-EPSvcA-IS-EcDev

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE EDR ECONOMIC DEVELOPMENT RATE A. APPLICABILITY This Economic Development Rate (EDR) rate schedule shall apply to the following rate schedules for the incorporated areas of the El Paso Service Area: 10, 20, 21, 25, 26, 27, 40, C-1 and T-1. B. TERRITORY Incorporated Areas of the El Paso Service Area - Cities of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas C. PURPOSE This rate schedule provides for the recovery of costs that TGS incurs related to economic development in the El Paso Service Area. Successful economic development will only occur to the extent that the community and its corporate partners provide the necessary support to attract new businesses and industries to this region. New businesses and industries will increase employment, spur growth and local business expansion, create a more robust economy and improve the quality of life for the region. D. EDR RATE The EDR rate: During each Monthly Billing Period All Ccf @ \$.002 per Ccf All applicable fees and taxes will be added to the EDR rates. D. BILLING 1. The EDR rate shall be included as a component of the Company's Cost of Gas (per Ccf rate) for rate schedules: 10, 20, 21, 22, 25, 26, 27, 40 and C-1. 2. The EDR rate shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: T-1. Supersedes Same Rate Schedule Dated Meters Read On and After September 3, 2004 (City of El Paso) February 15, 2008 September 29, 2004 (Cities of Anthony,

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Clint, Vinton, Socorro & Horizon City)

IRA-EPSvcA-IS-IRAAdj

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE IRA INTERIM RATE ADJUSTMENT 2007 A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the incorporated areas of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas. Applicable rate schedules include 10, 20, 21, 25, 26, 27, 40, SS, C-1, T-1. B. PURPOSE Section 104.301, Subchapter G of the Texas Utility Code, effective on September 1, 2003, provides for an interim adjustment in a gas utility's monthly customer charge or initial block usage rate to recover the cost of changes in the utility's infrastructure investment and related expenses and revenues for providing gas utility service. The filing date of the utility's most recent rate case establishing rates for the area in which the interim rate adjustment will apply shall be no more than two years prior to the date the utility files its initial interim rate adjustment application for that area. The interim adjustment shall be recalculated on an annual basis, unless the utility files a written request and obtains approval from the regulatory authority to suspend the operation of the interim adjustment rate schedule for any year. This rate schedule establishes the interim adjustment provisions consistent with Section 104.301, Subchapter G of the Texas Utility Code.

C. BILLING The following Interim Rate Adjustments will be added to the applicable Rate Schedule Customer Charge for each monthly billing period: Rate Schedule Customer Class IRA

10	Residential				
\$ 0.30		20	Commercial		
	\$ 1.00	21		Commercial A/C	
		\$ 1.00	25		Public Authority
		\$ 3.21	26		
Public Authority A/C			\$ 3.21	27	
Municipal Water Pumping			\$ 18.63	40	
Industrial				\$ 12.51	
SS		Stand By Service			\$
12.51	C-1	Cogeneration			
	\$ 60.50	T-1	Transportation		
		\$ 60.50			

the above rate. D. COMPUTATION OF IRA RATE The amount the Company shall adjust its utility rates upward or downward under this rate schedule each calendar year is based on the difference between the value of the invested capital for the preceding calendar year and the value of the invested capital for the calendar year preceding that calendar year. The value of the invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment. Based on the difference between the values of the invested capital amounts as determined above, the Company may adjust only the following related components of its revenue requirement: return on investment, depreciation expense, ad valorem taxes, revenue related taxes and incremental federal income taxes. The factors for these components shall be the same as those established in the Company's most recent rate case for the service area in which this interim rate adjustment is to be implemented. The revenue requirement calculated pursuant to this rate schedule shall be allocated among the Company's customer classes for this service area in the same manner as the cost of service was allocated among customer classes in the Company's latest effective rates for this area. E. FILING WITH THE REGULATORY

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GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7655

RATE SCHEDULE

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DESCRIPTION

AUTHORITY 1. The Company shall file either the initial interim adjustment or the annual interim adjustment with the regulatory authority at least 60 days before the proposed implementation date. During the 60-day period, the regulatory authority may act to suspend implementation of the adjustment. 2. The Company shall provide notice to customers by bill insert or direct mail not later than the 45th day after the date of filing the interim adjustment. 3. The Company shall file with the regulatory authority an annual report describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year. The annual report shall also state the cost, need, and customers benefited by the change in investment. 4.

In addition, the Company shall file with the regulatory authority an annual earnings monitoring report demonstrating the Company's earnings during the preceding calendar year. Should the Company earn a return of more than 75 basis points above the return established in the latest effective rates implemented under this rate schedule, the Company shall file a statement stating the reasons why the rates are not unreasonable or in violation of the law. 5. After the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, any change in investment that has been included in an approved interim adjustment shall no longer be subject to subsequent review for reasonableness or prudence. All amounts collected under this rate schedule are subject to refund until the issuance of a final decision in the next rate case filing for this service area. 6. The Company shall file a rate case not later than the 180th day after the fifth anniversary date its initial interim rate adjustment for this service area became effective. 7. The provisions under Section 104.301, Subchapter G of the Texas Utility Code for this interim adjustment do not limit the power of the regulatory authority under Section 104.151. Supersedes Rate Schedule ICR dated Meters Read On and After September 3, 2004 (City of El Paso) September 5, 2008 Rate Schedule IRA dated July 22, 2008 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

ORD-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
ORD-ELP CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS rate case filed 08/31/07, the following cities approved the same Cost of Gas Clause, Economic Development Rate, General Charges and Provisions for Transport Service (T-GEN), Quality of Service Rules and Cost of Service rates for gas sales and standard transport. City approvals are as follows:
City Ordinance or Resolution # Date Ordinance Passed Effective Date
of Gas Sales Rate Schedules Anthony 370 01/08/08 02/15/2008 Clint --
01/15/08 02/15/2008 El Paso -- 02/05/08 02/15/2008 Horizon City --
01/08/08 02/15/2008 Socorro 356 01/17/08 02/15/2008 Vinton 08-1-15
01/15/08 02/15/2008 Initial February 15, 2008

ORD-IRA-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 5/23/08, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: City

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7655

RATE SCHEDULE

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Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules Anthony* No Action Via Operation of Law 7/22/08 9/5/08 Clint* No Action Via Operation of Law 7/22/08 9/5/08 Horizon City* No Action Via Operation of Law 7/22/08 9/5/08 Socorro* No Action Via Operation of Law 7/22/08 9/5/08 Vinton* No Action Via Operation of Law 7/22/08 9/5/08 El Paso Resolution dated 8/26/08 8/26/08 9/5/08 *Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 8/26/2008 with City of El Paso. The Company chose to implement revised Rate Schedule IRA in the Cities of Anthony, Clint, Horizon City, Socorro and Vinton effective September 5, 2008. These Cities were previously on Rate Schedule IRA dated Meters Read On and After July 22, 2008. Supersedes same Rate Schedule dated July 22, 2008 Effective September 5, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B)

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the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

TF-HacDel-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - HACIENDAS DEL VALLE TAPPING FEE RATE - HACIENDAS DEL VALLE
COLONIA A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C)
below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall
apply to all existing and subsequent customers in the Haciendas Del Valle Colonia.
B. TERRITORY Haciendas Del Valle Colonia in the City of Socorro, TX. C. CURRENT
RATE During each monthly billing period: A tapping fee charge per meter per
month of \$ 3.63 Initial Rate Meters Read On
and After August 30, 2006

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7655

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
TF-Jones-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - JONES TAPPING FEE RATE - JONES SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Jones Subdivision. B. TERRITORY Jones Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 7.82 Initial Rate Meters Read On and After May 20, 2009</p>
TF-Poole-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - POOLE TAPPING FEE RATE - POOLE SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Poole Subdivision. B. TERRITORY Poole Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 6.29 Initial Rate Meters Read On and After July 11, 2008</p>
TF-VAcres-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - VINEDO ACRES TAPPING FEE RATE - VINEDO ACRES/F.E. JACKSON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Vinedo Acres/F.E. Jackson Subdivision. B. TERRITORY Vinedo Acres/F.E. Jackson Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.37. Initial Rate Meters Read On and After November 30, 2005</p>

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 7655

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8881	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.4893	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.5186	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.5995	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.6287	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.6010	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7655

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8886	N	Ccf	\$.6302	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.3456	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: ORD-IRA-EPSvcA & ORD-EPSvcA

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Eff 05/20/09, initial Tapping Fee Rate Schedule TF-Jones-Socorro-IS is added for incorporated Socorro, TX.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	20_Commercial Sales_El Paso Svc Area - Incorpor. El Paso, Anthony, Clint, Vinton, Socorro & Horizon City, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7656

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 02/15/2008 ORIGINAL CONTRACT DATE: 02/15/2008 RECEIVED DATE: 06/17/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-INC-EPSvcA-IS-CO	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE NO. 1-1-INC COST OF GAS CLAUSE</p> <p>A. APPLICABILITY</p> <p>This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its El Paso Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. Transportation costs shall be inclusive of all upstream transportation costs imposed by the transportation service providers and shall include, but not be limited to, pipeline reservation charges, transportation commodity charges, applicable line loss charges, balancing charges, penalties, and any other related costs and expenses. The Cost of Purchased Gas shall also include any surcharge or refund the Company may receive from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. No costs of natural gas financial instruments purchased from or sold to companies affiliated with the Company shall be allowed.</p> <p>2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.</p> <p>3. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment to correct any known and quantifiable under or over collection prior to the end of the reconciliation period.</p> <p>4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component,</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7656

RATE SCHEDULESCHEDULE IDDESCRIPTION

Economic Development Rate, FERC Intervention Costs, Uncollectible Cost of Gas and applicable taxes and fees, including franchise fees.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and/or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs and (g) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and /or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs.

8. Economic Development Cost Recovery - The rate per billing unit pursuant to Rate Schedule EDR.

9. FERC Intervention Costs - costs prudently incurred from outside vendors and attorneys after January 1, 2008 for the purpose of protecting the interest of sales customers in the El Paso Service Area in connection with negotiating Federal Energy Regulatory Commission (FERC) related issues with upstream pipelines or intervention and participation in proceedings at the FERC. FERC Intervention Costs may also

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 7656

RATE SCHEDULESCHEDULE IDDESCRIPTION

include prudently incurred internal travel expenses related to this purpose.

10. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas and recorded in Account No. 1910106 as of the end of each reconciliation period. C. BILLING OF COST OF GAS In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Vinton only a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement Agreement payments allocated to the Village of Vinton are collected by the Company in accordance with the Settlement Agreement.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph F below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the monthly balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the monthly balance multiplied by six percent (6%).

F. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7656

RATE SCHEDULESCHEDULE IDDESCRIPTION

following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost storage, or gas stored except as prudently and necessarily needed to serve general sales customers in this service area.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Economic Development Rate; (f) the fees (including franchise fees) and taxes; and (g) the Cost of Gas which is the total of items (b) through (f). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall be verified under oath and include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The summary shall include monthly detail and statement of all amounts included other than the gas purchased in sufficient detail for evaluation. The detail for any FERC Intervention costs activities performed and costs incurred on behalf of El Paso Service Area sales customers. This report shall be filed concurrently with the Cost of Gas Statement for December. The Company shall provide complete detail within 20 days of request by a representative of the City of El Paso or other municipality.

I. SUPPORTING MATERIAL ACCOMPANYING ANNUAL RECONCILIATION REPORT

The Company shall file supporting materials with its Annual Reconciliation Report

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to demonstrate that gas costs were acquired during ordinary and atypical periods at the lowest prudently incurred price and necessary to provide reliable service to retail customers.

Supersedes Same Rate Schedule Dated Meters Read On and After

September 3, 2004 (City of El Paso) February 15, 2008
September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

21-EPSvcA-IS-Com AC

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE 21 COMMERCIAL AIR CONDITIONING SERVICE RATE APPLICABILITY
Applicable to all commercial consumers who have and regularly operate a gas fired air conditioning system. TERRITORY The incorporated areas of El Paso, Anthony, Clint, Horizon City, Socorro, and Vinton, Texas COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$17.30 plus - Oct. - April May - Sept. Winter Summer The First 100 Ccf No Charge No Charge The Next 400 Ccf \$.10475 per Ccf \$.08575 per Ccf The Next 2500 Ccf .08472 per Ccf .06572 per Ccf All Over 3000 Ccf .06473 per Ccf .04573 per Ccf
Prompt Payment Provision: None. Above rates are net. Cost of Gas Component:

In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1-INC multiplied by the total Ccf consumed during the billing month. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rate on Rate Schedule No. 20. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Rate Schedules Meters Read On and After 21 and 23 dated August 30, 2006 February 15, 2008

EDR-EPSvcA-IS-EcDev

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE EDR ECONOMIC DEVELOPMENT RATE A. APPLICABILITY This Economic Development Rate (EDR) rate schedule shall apply to the following rate schedules for the incorporated areas of the El Paso Service Area: 10, 20, 21, 25, 26, 27, 40, C-1 and T-1. B. TERRITORY Incorporated Areas of the El Paso Service Area - Cities of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas C. PURPOSE This rate schedule provides for the recovery of costs that TGS incurs related to economic development in the El Paso Service Area. Successful economic development will only occur to the extent that the community and its corporate partners provide the necessary support to attract new businesses and industries to this region. New businesses and industries will increase employment, spur growth and local business expansion, create a more robust economy and improve the quality of life for the region. D. EDR RATE The EDR rate: During each Monthly Billing Period All Ccf @ \$.002 per Ccf All applicable fees and taxes will be added to the EDR rates. D. BILLING 1. The EDR rate shall be included as a component of the Company's Cost of Gas (per Ccf rate) for rate schedules: 10, 20, 21, 22, 25, 26, 27, 40 and C-1. 2. The EDR rate shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: T-1. Supersedes Same Rate Schedule Dated Meters Read On and After September 3, 2004 (City of El Paso) February 15, 2008 September 29, 2004 (Cities of Anthony,

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Clint, Vinton, Socorro & Horizon City)

IRA-EPSvcA-IS-IRAAdj

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE IRA INTERIM RATE ADJUSTMENT 2007 A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the incorporated areas of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas. Applicable rate schedules include 10, 20, 21, 25, 26, 27, 40, SS, C-1, T-1. B. PURPOSE Section 104.301, Subchapter G of the Texas Utility Code, effective on September 1, 2003, provides for an interim adjustment in a gas utility's monthly customer charge or initial block usage rate to recover the cost of changes in the utility's infrastructure investment and related expenses and revenues for providing gas utility service. The filing date of the utility's most recent rate case establishing rates for the area in which the interim rate adjustment will apply shall be no more than two years prior to the date the utility files its initial interim rate adjustment application for that area. The interim adjustment shall be recalculated on an annual basis, unless the utility files a written request and obtains approval from the regulatory authority to suspend the operation of the interim adjustment rate schedule for any year. This rate schedule establishes the interim adjustment provisions consistent with Section 104.301, Subchapter G of the Texas Utility Code.

C. BILLING The following Interim Rate Adjustments will be added to the applicable Rate Schedule Customer Charge for each monthly billing period: Rate Schedule Customer Class IRA

10	Residential				
\$ 0.30		20	Commercial		
	\$ 1.00	21		Commercial A/C	
		\$ 1.00	25		Public Authority
		\$ 3.21	26		
Public Authority A/C			\$ 3.21	27	
Municipal Water Pumping			\$ 18.63	40	
Industrial				\$ 12.51	
SS		Stand By Service			\$
12.51	C-1	Cogeneration			
	\$ 60.50	T-1	Transportation		
		\$ 60.50			

the above rate. D. COMPUTATION OF IRA RATE The amount the Company shall adjust its utility rates upward or downward under this rate schedule each calendar year is based on the difference between the value of the invested capital for the preceding calendar year and the value of the invested capital for the calendar year preceding that calendar year. The value of the invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment. Based on the difference between the values of the invested capital amounts as determined above, the Company may adjust only the following related components of its revenue requirement: return on investment, depreciation expense, ad valorem taxes, revenue related taxes and incremental federal income taxes. The factors for these components shall be the same as those established in the Company's most recent rate case for the service area in which this interim rate adjustment is to be implemented. The revenue requirement calculated pursuant to this rate schedule shall be allocated among the Company's customer classes for this service area in the same manner as the cost of service was allocated among customer classes in the Company's latest effective rates for this area. E. FILING WITH THE REGULATORY

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AUTHORITY 1. The Company shall file either the initial interim adjustment or the annual interim adjustment with the regulatory authority at least 60 days before the proposed implementation date. During the 60-day period, the regulatory authority may act to suspend implementation of the adjustment. 2. The Company shall provide notice to customers by bill insert or direct mail not later than the 45th day after the date of filing the interim adjustment. 3. The Company shall file with the regulatory authority an annual report describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year. The annual report shall also state the cost, need, and customers benefited by the change in investment. 4.

In addition, the Company shall file with the regulatory authority an annual earnings monitoring report demonstrating the Company's earnings during the preceding calendar year. Should the Company earn a return of more than 75 basis points above the return established in the latest effective rates implemented under this rate schedule, the Company shall file a statement stating the reasons why the rates are not unreasonable or in violation of the law. 5. After the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, any change in investment that has been included in an approved interim adjustment shall no longer be subject to subsequent review for reasonableness or prudence. All amounts collected under this rate schedule are subject to refund until the issuance of a final decision in the next rate case filing for this service area. 6. The Company shall file a rate case not later than the 180th day after the fifth anniversary date its initial interim rate adjustment for this service area became effective. 7. The provisions under Section 104.301, Subchapter G of the Texas Utility Code for this interim adjustment do not limit the power of the regulatory authority under Section 104.151. Supersedes Rate Schedule ICR dated Meters Read On and After September 3, 2004 (City of El Paso) September 5, 2008 Rate Schedule IRA dated July 22, 2008 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

ORD-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
 ORD-ELP CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS rate case filed 08/31/07, the following cities approved the same Cost of Gas Clause, Economic Development Rate, General Charges and Provisions for Transport Service (T-GEN), Quality of Service Rules and Cost of Service rates for gas sales and standard transport. City approvals are as follows:
 City Ordinance or Resolution # Date Ordinance Passed Effective Date
 of Gas Sales Rate Schedules Anthony 370 01/08/08 02/15/2008 Clint --
 01/15/08 02/15/2008 El Paso -- 02/05/08 02/15/2008 Horizon City --
 01/08/08 02/15/2008 Socorro 356 01/17/08 02/15/2008 Vinton 08-1-15
 01/15/08 02/15/2008 Initial February 15, 2008

ORD-IRA-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
 ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 5/23/08, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: City

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Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules Anthony* No Action Via Operation of Law 7/22/08 9/5/08 Clint* No Action Via Operation of Law 7/22/08 9/5/08 Horizon City* No Action Via Operation of Law 7/22/08 9/5/08 Socorro* No Action Via Operation of Law 7/22/08 9/5/08 Vinton* No Action Via Operation of Law 7/22/08 9/5/08 El Paso Resolution dated 8/26/08 8/26/08 9/5/08 *Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 8/26/2008 with City of El Paso. The Company chose to implement revised Rate Schedule IRA in the Cities of Anthony, Clint, Horizon City, Socorro and Vinton effective September 5, 2008. These Cities were previously on Rate Schedule IRA dated Meters Read On and After July 22, 2008. Supersedes same Rate Schedule dated July 22, 2008 Effective September 5, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B)

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the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

TF-HacDel-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - HACIENDAS DEL VALLE TAPPING FEE RATE - HACIENDAS DEL VALLE
COLONIA A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C)
below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall
apply to all existing and subsequent customers in the Haciendas Del Valle Colonia.
B. TERRITORY Haciendas Del Valle Colonia in the City of Socorro, TX. C. CURRENT
RATE During each monthly billing period: A tapping fee charge per meter per
month of \$ 3.63 Initial Rate Meters Read On
and After August 30, 2006

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TARIFF CODE: DS RRC TARIFF NO: 7656

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<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
TF-Jones-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - JONES TAPPING FEE RATE - JONES SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Jones Subdivision. B. TERRITORY Jones Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 7.82 Initial Rate Meters Read On and After May 20, 2009</p>
TF-Poole-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - POOLE TAPPING FEE RATE - POOLE SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Poole Subdivision. B. TERRITORY Poole Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 6.29 Initial Rate Meters Read On and After July 11, 2008</p>
TF-VAcres-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - VINEDO ACRES TAPPING FEE RATE - VINEDO ACRES/F.E. JACKSON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Vinedo Acres/F.E. Jackson Subdivision. B. TERRITORY Vinedo Acres/F.E. Jackson Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.37. Initial Rate Meters Read On and After November 30, 2005</p>

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>
8881	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.4893	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.5186	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.5995	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.6287	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.6010	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			

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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>
8886	N	Ccf	\$.6302	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.3456	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: ORD-IRA-EPSvcA & ORD-EPSvcA

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Eff 05/20/09, initial Tapping Fee Rate Schedule TF-Jones-Socorro-IS is added for incorporated Socorro, TX.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	21_Commercial A/C Service_El Paso Svc Area - Incorp. El Paso, Anthony, Clint, Vinton, Socorro & Horizon City, TX

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TARIFF CODE: DS RRC TARIFF NO: 7657

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/15/2008 ORIGINAL CONTRACT DATE: 02/15/2008 RECEIVED DATE: 06/17/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-INC-EPSvcA-IS-CO	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE NO. 1-1-INC COST OF GAS CLAUSE</p> <p>A. APPLICABILITY</p> <p>This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its El Paso Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. Transportation costs shall be inclusive of all upstream transportation costs imposed by the transportation service providers and shall include, but not be limited to, pipeline reservation charges, transportation commodity charges, applicable line loss charges, balancing charges, penalties, and any other related costs and expenses. The Cost of Purchased Gas shall also include any surcharge or refund the Company may receive from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. No costs of natural gas financial instruments purchased from or sold to companies affiliated with the Company shall be allowed.</p> <p>2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.</p> <p>3. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment to correct any known and quantifiable under or over collection prior to the end of the reconciliation period.</p> <p>4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component,</p>

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Economic Development Rate, FERC Intervention Costs, Uncollectible Cost of Gas and applicable taxes and fees, including franchise fees.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and/or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs and (g) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and /or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs.

8. Economic Development Cost Recovery - The rate per billing unit pursuant to Rate Schedule EDR.

9. FERC Intervention Costs - costs prudently incurred from outside vendors and attorneys after January 1, 2008 for the purpose of protecting the interest of sales customers in the El Paso Service Area in connection with negotiating Federal Energy Regulatory Commission (FERC) related issues with upstream pipelines or intervention and participation in proceedings at the FERC. FERC Intervention Costs may also

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include prudently incurred internal travel expenses related to this purpose.

10. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas and recorded in Account No. 1910106 as of the end of each reconciliation period. C. BILLING OF COST OF GAS In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Vinton only a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement Agreement payments allocated to the Village of Vinton are collected by the Company in accordance with the Settlement Agreement.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph F below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the monthly balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the monthly balance multiplied by six percent (6%).

F. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the

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following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost storage, or gas stored except as prudently and necessarily needed to serve general sales customers in this service area.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Economic Development Rate; (f) the fees (including franchise fees) and taxes; and (g) the Cost of Gas which is the total of items (b) through (f). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall be verified under oath and include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The summary shall include monthly detail and statement of all amounts included other than the gas purchased in sufficient detail for evaluation. The detail for any FERC Intervention costs activities performed and costs incurred on behalf of El Paso Service Area sales customers. This report shall be filed concurrently with the Cost of Gas Statement for December. The Company shall provide complete detail within 20 days of request by a representative of the City of El Paso or other municipality.

I. SUPPORTING MATERIAL ACCOMPANYING ANNUAL RECONCILIATION REPORT

The Company shall file supporting materials with its Annual Reconciliation Report

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to demonstrate that gas costs were acquired during ordinary and atypical periods at the lowest prudently incurred price and necessary to provide reliable service to retail customers.

Supersedes Same Rate Schedule Dated Meters Read On and After

September 3, 2004 (City of El Paso) February 15, 2008
September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

25-EPSvcA-IS-PubA

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE 25 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY The incorporated areas of El Paso, Anthony, Clint, Horizon City, Socorro, and Vinton, Texas COST OF SERVICE RATE During each monthly billing period: A customer charge of \$29.50 plus The First 100 Ccf No Charge The Next 400 Ccf \$.11185 per Ccf The Next 2500 Ccf .09186 per Ccf All Over 3000 Ccf .08185 per Ccf Prompt Payment
Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1-INC multiplied by the total Ccf consumed during the billing month.
Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. 2. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S.S., Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Rate Schedules Meters Read On and After 25 and 28 dated August 30, 2006 February 15, 2008

EDR-EPSvcA-IS-EcDev

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE EDR ECONOMIC DEVELOPMENT RATE A. APPLICABILITY This Economic Development Rate (EDR) rate schedule shall apply to the following rate schedules for the incorporated areas of the El Paso Service Area: 10, 20, 21, 25, 26, 27, 40, C-1 and T-1. B. TERRITORY Incorporated Areas of the El Paso Service Area - Cities of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas C. PURPOSE This rate schedule provides for the recovery of costs that TGS incurs related to economic development in the El Paso Service Area. Successful economic development will only occur to the extent that the community and its corporate partners provide the necessary support to attract new businesses and industries to this region. New businesses and industries will increase employment, spur growth and local business expansion, create a more robust economy and improve the quality of life for the region. D. EDR RATE The EDR rate: During each Monthly Billing Period All Ccf @ \$.002 per Ccf All applicable fees and taxes will be added to the EDR rates. D. BILLING 1. The EDR rate shall be included as a component of the Company's Cost of Gas (per Ccf rate) for rate schedules: 10, 20, 21, 22, 25, 26, 27, 40 and C-1. 2. The EDR rate shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: T-1. Supersedes Same Rate Schedule Dated Meters Read On and After September 3, 2004 (City of

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El Paso) February 15, 2008 September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

IRA-EPSvcA-IS-IRAAdj

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE IRA INTERIM RATE ADJUSTMENT 2007 A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the incorporated areas of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas. Applicable rate schedules include 10, 20, 21, 25, 26, 27, 40, SS, C-1, T-1. B. PURPOSE Section 104.301, Subchapter G of the Texas Utility Code, effective on September 1, 2003, provides for an interim adjustment in a gas utility's monthly customer charge or initial block usage rate to recover the cost of changes in the utility's infrastructure investment and related expenses and revenues for providing gas utility service. The filing date of the utility's most recent rate case establishing rates for the area in which the interim rate adjustment will apply shall be no more than two years prior to the date the utility files its initial interim rate adjustment application for that area. The interim adjustment shall be recalculated on an annual basis, unless the utility files a written request and obtains approval from the regulatory authority to suspend the operation of the interim adjustment rate schedule for any year. This rate schedule establishes the interim adjustment provisions consistent with Section 104.301, Subchapter G of the Texas Utility Code.

C. BILLING The following Interim Rate Adjustments will be added to the applicable Rate Schedule Customer Charge for each monthly billing period: Rate Schedule Customer Class IRA

10	Residential			
\$ 0.30	20	Commercial		
	\$ 1.00	21	Commercial A/C	
		\$ 1.00	25	Public Authority
		\$ 3.21	26	
Public Authority A/C			\$ 3.21	27
Municipal Water Pumping			\$ 18.63	40
Industrial				\$ 12.51
SS	Stand By Service			\$
12.51	C-1	Cogeneration		
	\$ 60.50	T-1	Transportation	
		\$ 60.50		

the above rate. D. COMPUTATION OF IRA RATE The amount the Company shall

adjust its utility rates upward or downward under this rate schedule each calendar year is based on the difference between the value of the invested capital for the preceding calendar year and the value of the invested capital for the calendar year preceding that calendar year. The value of the invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment. Based on the difference between the values of the invested capital amounts as determined above, the Company may adjust only the following related components of its revenue requirement: return on investment, depreciation expense, ad valorem taxes, revenue related taxes and incremental federal income taxes. The factors for these components shall be the same as those established in the Company's most recent rate case for the service area in which this interim rate adjustment is to be implemented. The revenue requirement calculated pursuant to this rate schedule shall be allocated among the Company's customer classes for this service area in the same manner as the cost of service was allocated among customer classes in the

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Company's latest effective rates for this area. E. FILING WITH THE REGULATORY AUTHORITY 1. The Company shall file either the initial interim adjustment or the annual interim adjustment with the regulatory authority at least 60 days before the proposed implementation date. During the 60-day period, the regulatory authority may act to suspend implementation of the adjustment. 2. The Company shall provide notice to customers by bill insert or direct mail not later than the 45th day after the date of filing the interim adjustment. 3. The Company shall file with the regulatory authority an annual report describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year. The annual report shall also state the cost, need, and customers benefited by the change in investment. 4.

In addition, the Company shall file with the regulatory authority an annual earnings monitoring report demonstrating the Company's earnings during the preceding calendar year. Should the Company earn a return of more than 75 basis points above the return established in the latest effective rates implemented under this rate schedule, the Company shall file a statement stating the reasons why the rates are not unreasonable or in violation of the law. 5. After the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, any change in investment that has been included in an approved interim adjustment shall no longer be subject to subsequent review for reasonableness or prudence. All amounts collected under this rate schedule are subject to refund until the issuance of a final decision in the next rate case filing for this service area. 6. The Company shall file a rate case not later than the 180th day after the fifth anniversary date its initial interim rate adjustment for this service area became effective. 7. The provisions under Section 104.301, Subchapter G of the Texas Utility Code for this interim adjustment do not limit the power of the regulatory authority under Section 104.151. Supersedes Rate Schedule ICR dated Meters Read On and After September 3, 2004 (City of El Paso) September 5, 2008 Rate Schedule IRA dated July 22, 2008 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

ORD-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-ELP CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS rate case filed 08/31/07, the following cities approved the same Cost of Gas Clause, Economic Development Rate, General Charges and Provisions for Transport Service (T-GEN), Quality of Service Rules and Cost of Service rates for gas sales and standard transport. City approvals are as follows:

City Ordinance or Resolution #	Date Ordinance Passed	Effective Date
of Gas Sales Rate Schedules Anthony 370	01/08/08	02/15/2008
Clint --		
01/15/08 02/15/2008 El Paso --	02/05/08	02/15/2008
Horizon City --		
01/08/08 02/15/2008 Socorro 356	01/17/08	02/15/2008
Vinton 08-1-15		
01/15/08 02/15/2008 Initial	February 15,	2008

ORD-IRA-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 5/23/08, the following cities approved the same Interim Rate Adjustment rates for

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both gas sales and standard transport. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules Anthony* No Action Via Operation of Law 7/22/08 9/5/08 Clint* No Action Via Operation of Law 7/22/08 9/5/08 Horizon City* No Action Via Operation of Law 7/22/08 9/5/08 Socorro* No Action Via Operation of Law 7/22/08 9/5/08 Vinton* No Action Via Operation of Law 7/22/08 9/5/08 El Paso Resolution dated 8/26/08 8/26/08 9/5/08 *Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 8/26/2008 with City of El Paso. The Company chose to implement revised Rate Schedule IRA in the Cities of Anthony, Clint, Horizon City, Socorro and Vinton effective September 5, 2008. These Cities were previously on Rate Schedule IRA dated Meters Read On and After July 22, 2008. Supersedes same Rate Schedule dated July 22, 2008 Effective September 5, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

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(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

TF-HacDel-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - HACIENDAS DEL VALLE TAPPING FEE RATE - HACIENDAS DEL VALLE
COLONIA A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Haciendas Del Valle Colonia.
B. TERRITORY Haciendas Del Valle Colonia in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.63 Initial Rate Meters Read On

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<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	and After August 30, 2006
TF-Jones-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - JONES TAPPING FEE RATE - JONES SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Jones Subdivision. B. TERRITORY Jones Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 7.82 Initial Rate Meters Read On and After May 20, 2009</p>
TF-Poole-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - POOLE TAPPING FEE RATE - POOLE SUBDIVISION</p> <p>A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Poole Subdivision.</p> <p>B. TERRITORY Poole Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 6.29</p> <p>Initial Rate Meters Read On and After July 11, 2008</p>
TF-VAcres-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - VINEDO ACRES TAPPING FEE RATE - VINEDO ACRES/F.E. JACKSON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Vinedo Acres/F.E. Jackson Subdivision. B. TERRITORY Vinedo Acres/F.E. Jackson Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.37. Initial Rate Meters Read On and After November 30, 2005</p>

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7657

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8881	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.4893	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.5186	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.5995	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.6287	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.6010	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7657

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8886	N	Ccf	\$.6302	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.3456	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: ORD-IRA-EPSvcA & ORD-EPSvcA

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Eff 05/20/09, initial Tapping Fee Rate Schedule TF-Jones-Socorro-IS is added for incorporated Socorro, TX.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	25_Public Authority Sales_El Paso Svc Area - Incorp. El Paso, Anthony, Clint, Vinton, Socorro & Horizon City, TX

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7658

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/15/2008 ORIGINAL CONTRACT DATE: 02/15/2008 RECEIVED DATE: 06/17/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-INC-EPSvcA-IS-CO	TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE NO. 1-1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its El Paso Service Area. B. DEFINITIONS 1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. Transportation costs shall be inclusive of all upstream transportation costs imposed by the transportation service providers and shall include, but not be limited to, pipeline reservation charges, transportation commodity charges, applicable line loss charges, balancing charges, penalties, and any other related costs and expenses. The Cost of Purchased Gas shall also include any surcharge or refund the Company may receive from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. No costs of natural gas financial instruments purchased from or sold to companies affiliated with the Company shall be allowed. 2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 3. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment to correct any known and quantifiable under or over collection prior to the end of the reconciliation period. 4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component,

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7658

RATE SCHEDULESCHEDULE IDDESCRIPTION

Economic Development Rate, FERC Intervention Costs, Uncollectible Cost of Gas and applicable taxes and fees, including franchise fees.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and/or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs and (g) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and /or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs.

8. Economic Development Cost Recovery - The rate per billing unit pursuant to Rate Schedule EDR.

9. FERC Intervention Costs - costs prudently incurred from outside vendors and attorneys after January 1, 2008 for the purpose of protecting the interest of sales customers in the El Paso Service Area in connection with negotiating Federal Energy Regulatory Commission (FERC) related issues with upstream pipelines or intervention and participation in proceedings at the FERC. FERC Intervention Costs may also

GAS SERVICES DIVISION

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include prudently incurred internal travel expenses related to this purpose.

10. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas and recorded in Account No. 1910106 as of the end of each reconciliation period. C. BILLING OF COST OF GAS In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Vinton only a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement Agreement payments allocated to the Village of Vinton are collected by the Company in accordance with the Settlement Agreement.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph F below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the monthly balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the monthly balance multiplied by six percent (6%).

F. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the

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following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost storage, or gas stored except as prudently and necessarily needed to serve general sales customers in this service area.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Economic Development Rate; (f) the fees (including franchise fees) and taxes; and (g) the Cost of Gas which is the total of items (b) through (f). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall be verified under oath and include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The summary shall include monthly detail and statement of all amounts included other than the gas purchased in sufficient detail for evaluation. The detail for any FERC Intervention costs activities performed and costs incurred on behalf of El Paso Service Area sales customers. This report shall be filed concurrently with the Cost of Gas Statement for December. The Company shall provide complete detail within 20 days of request by a representative of the City of El Paso or other municipality.

I. SUPPORTING MATERIAL ACCOMPANYING ANNUAL RECONCILIATION REPORT

The Company shall file supporting materials with its Annual Reconciliation Report

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RATE SCHEDULE

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DESCRIPTION

to demonstrate that gas costs were acquired during ordinary and atypical periods at the lowest prudently incurred price and necessary to provide reliable service to retail customers.

Supersedes Same Rate Schedule Dated Meters Read On and After

September 3, 2004 (City of El Paso) February 15, 2008
September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

26-EPSvcA-IS-PubA AC

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE 26 PUBLIC AUTHORITY AIR CONDITIONING SERVICE RATE APPLICABILITY
Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts who have and regularly operate a gas fired air conditioning system. TERRITORY The incorporated areas of El Paso, Anthony, Clint, Horizon City, Socorro, and Vinton, Texas COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$29.50 plus - Oct. - April
May - Sept. Winter Summer The First 100 Ccf No Charge No
Charge The Next 400 Ccf \$.11185 per Ccf \$.08185 per Ccf The Next 2500 Ccf
.09186 per Ccf .06561 per Ccf All Over 3000 Ccf .08185 per Ccf
.05185 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1-INC multiplied by the total Ccf consumed during the billing month. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rate on Rate Schedule No. 25. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel.
Supersedes Rate Schedules Meters Read On and After 26 and 29 dated August 30, 2006 February 15, 2008

EDR-EPSvcA-IS-EcDev

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
EDR ECONOMIC DEVELOPMENT RATE A. APPLICABILITY This Economic Development Rate (EDR) rate schedule shall apply to the following rate schedules for the incorporated areas of the El Paso Service Area: 10, 20, 21, 25, 26, 27, 40, C-1 and T-1. B. TERRITORY Incorporated Areas of the El Paso Service Area - Cities of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas C. PURPOSE This rate schedule provides for the recovery of costs that TGS incurs related to economic development in the El Paso Service Area. Successful economic development will only occur to the extent that the community and its corporate partners provide the necessary support to attract new businesses and industries to this region. New businesses and industries will increase employment, spur growth and local business expansion, create a more robust economy and improve the quality of life for the region. D. EDR RATE The EDR rate: During each Monthly Billing Period
All Ccf @ \$.002 per Ccf All applicable fees and taxes will be added to the EDR rates. D. BILLING 1. The EDR rate shall be included as a component of the Company's Cost of Gas (per Ccf rate) for rate schedules: 10, 20, 21, 22, 25, 26, 27, 40 and C-1. 2. The EDR rate shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: T-1. Supersedes Same

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Rate Schedule Dated Meters Read On and After September 3, 2004 (City of El Paso) February 15, 2008 September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

IRA-EPSvcA-IS-IRAAAdj

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE IRA INTERIM RATE ADJUSTMENT 2007 A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the incorporated areas of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas. Applicable rate schedules include 10, 20, 21, 25, 26, 27, 40, SS, C-1, T-1. B. PURPOSE Section 104.301, Subchapter G of the Texas Utility Code, effective on September 1, 2003, provides for an interim adjustment in a gas utility's monthly customer charge or initial block usage rate to recover the cost of changes in the utility's infrastructure investment and related expenses and revenues for providing gas utility service. The filing date of the utility's most recent rate case establishing rates for the area in which the interim rate adjustment will apply shall be no more than two years prior to the date the utility files its initial interim rate adjustment application for that area. The interim adjustment shall be recalculated on an annual basis, unless the utility files a written request and obtains approval from the regulatory authority to suspend the operation of the interim adjustment rate schedule for any year. This rate schedule establishes the interim adjustment provisions consistent with Section 104.301, Subchapter G of the Texas Utility Code.

C. BILLING The following Interim Rate Adjustments will be added to the applicable Rate Schedule Customer Charge for each monthly billing period: Rate Schedule Customer Class IRA

10	Residential			
\$ 0.30	20	Commercial		
	\$ 1.00	21	Commercial A/C	
		\$ 1.00	25	Public Authority
		\$ 3.21	26	
Public Authority A/C		\$ 3.21	27	
Municipal Water Pumping		\$ 18.63	40	
Industrial			\$ 12.51	
SS	Stand By Service			\$
12.51	C-1	Cogeneration		
	\$ 60.50	T-1	Transportation	
		\$ 60.50		

D. COMPUTATION OF IRA RATE The amount the Company shall adjust its utility rates upward or downward under this rate schedule each calendar year is based on the difference between the value of the invested capital for the preceding calendar year and the value of the invested capital for the calendar year preceding that calendar year. The value of the invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment. Based on the difference between the values of the invested capital amounts as determined above, the Company may adjust only the following related components of its revenue requirement: return on investment, depreciation expense, ad valorem taxes, revenue related taxes and incremental federal income taxes. The factors for these components shall be the same as those established in the Company's most recent rate case for the service area in which this interim rate adjustment is to be implemented. The revenue requirement calculated pursuant to this rate schedule shall be allocated among the Company's customer classes for this service area in

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the same manner as the cost of service was allocated among customer classes in the Company's latest effective rates for this area. E. FILING WITH THE REGULATORY AUTHORITY 1. The Company shall file either the initial interim adjustment or the annual interim adjustment with the regulatory authority at least 60 days before the proposed implementation date. During the 60-day period, the regulatory authority may act to suspend implementation of the adjustment. 2. The Company shall provide notice to customers by bill insert or direct mail not later than the 45th day after the date of filing the interim adjustment. 3. The Company shall file with the regulatory authority an annual report describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year. The annual report shall also state the cost, need, and customers benefited by the change in investment. 4.

In addition, the Company shall file with the regulatory authority an annual earnings monitoring report demonstrating the Company's earnings during the preceding calendar year. Should the Company earn a return of more than 75 basis points above the return established in the latest effective rates implemented under this rate schedule, the Company shall file a statement stating the reasons why the rates are not unreasonable or in violation of the law. 5. After the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, any change in investment that has been included in an approved interim adjustment shall no longer be subject to subsequent review for reasonableness or prudence. All amounts collected under this rate schedule are subject to refund until the issuance of a final decision in the next rate case filing for this service area. 6. The Company shall file a rate case not later than the 180th day after the fifth anniversary date its initial interim rate adjustment for this service area became effective. 7. The provisions under Section 104.301, Subchapter G of the Texas Utility Code for this interim adjustment do not limit the power of the regulatory authority under Section 104.151. Supersedes Rate Schedule ICR dated Meters Read On and After September 3, 2004 (City of El Paso) September 5, 2008 Rate Schedule IRA dated July 22, 2008 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

NGV-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE NGV NGV COMPRESSION UNIT SERVICEAPPLICABILITYThis rate is applicable to customers who utilize a Company-owned CNG compression unit with a maximum refueling capacity of 3 CFM. This rate is for possession and usage of the compression unit only and does not pertain to gas consumed through the unit. Gas consumption shall be metered and billed under the customer's otherwise applicable service rate.TERRITORYCities of El Paso, Anthony, Clint, Vinton, Socorro, and Horizon City, Texas.COST OF SERVICE RATEDuring each monthly billing period:A customer charge per compression unit of \$50.00CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. Original Sheet Meters Read On and After March 14, 1992

ORD-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-ELP CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS rate case filed 08/31/07, the following cities approved the same Cost of Gas Clause, Economic Development Rate, General Charges and Provisions for Transport Service (T-GEN), Quality of Service Rules and Cost of

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Service rates for gas sales and standard transport. City approvals are as follows: City Ordinance or Resolution # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Anthony 370 01/08/08 02/15/2008 Clint -- 01/15/08 02/15/2008 El Paso -- 02/05/08 02/15/2008 Horizon City -- 01/08/08 02/15/2008 Socorro 356 01/17/08 02/15/2008 Vinton 08-1-15 01/15/08 02/15/2008 Initial February 15, 2008

ORD-IRA-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 5/23/08, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules Anthony* No Action Via Operation of Law 7/22/08 9/5/08 Clint* No Action Via Operation of Law 7/22/08 9/5/08 Horizon City* No Action Via Operation of Law 7/22/08 9/5/08 Socorro* No Action Via Operation of Law 7/22/08 9/5/08 Vinton* No Action Via Operation of Law 7/22/08 9/5/08 El Paso Resolution dated 8/26/08 8/26/08 9/5/08 *Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 8/26/2008 with City of El Paso. The Company chose to implement revised Rate Schedule IRA in the Cities of Anthony, Clint, Horizon City, Socorro and Vinton effective September 5, 2008. These Cities were previously on Rate Schedule IRA dated Meters Read On and After July 22, 2008. Supersedes same Rate Schedule dated July 22, 2008 Effective September 5, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1)

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7658

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24,

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7658

RATE SCHEDULE

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DESCRIPTION

2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

TF-HacDel-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - HACIENDAS DEL VALLE TAPPING FEE RATE - HACIENDAS DEL VALLE COLONIA A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Haciendas Del Valle Colonia.
B. TERRITORY Haciendas Del Valle Colonia in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.63 Initial Rate Meters Read On and After August 30, 2006

TF-Jones-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - JONES TAPPING FEE RATE - JONES SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Jones Subdivision. B. TERRITORY Jones Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 7.82 Initial Rate Meters Read On and After May 20, 2009

TF-Poole-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - POOLE TAPPING FEE RATE - POOLE SUBDIVISION
A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Poole Subdivision.
B. TERRITORY Poole Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 6.29
Initial Rate Meters Read On and After July 11, 2008

TF-VAcres-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - VINEDO ACRES TAPPING FEE RATE - VINEDO ACRES/F.E. JACKSON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Vinedo Acres/F.E. Jackson Subdivision. B. TERRITORY Vinedo Acres/F.E. Jackson Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.37. Initial Rate Meters Read On and After November 30, 2005

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310	COMPANY NAME: TEXAS GAS SERVICE COMPANY
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GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7658

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8881	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.4893	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.5186	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.5995	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.6287	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.6010	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7658

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8886	N	Ccf	\$.6302	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.3456	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: ORD-IRA-EPSvcA & ORD-EPSvcA

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Eff 05/20/09, initial Tapping Fee Rate Schedule TF-Jones-Socorro-IS is added for incorporated Socorro, TX.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	26_Public Authority A/C Service_El Paso Svc Area - Incorp. El Paso, Anthony, Clint, Vinton, Socorro & Horizon City, TX

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7659

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/15/2008 ORIGINAL CONTRACT DATE: 02/15/2008 RECEIVED DATE: 06/17/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-INC-EPSvcA-IS-CO	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE NO. 1-1-INC COST OF GAS CLAUSE</p> <p>A. APPLICABILITY</p> <p>This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its El Paso Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. Transportation costs shall be inclusive of all upstream transportation costs imposed by the transportation service providers and shall include, but not be limited to, pipeline reservation charges, transportation commodity charges, applicable line loss charges, balancing charges, penalties, and any other related costs and expenses. The Cost of Purchased Gas shall also include any surcharge or refund the Company may receive from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. No costs of natural gas financial instruments purchased from or sold to companies affiliated with the Company shall be allowed.</p> <p>2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.</p> <p>3. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment to correct any known and quantifiable under or over collection prior to the end of the reconciliation period.</p> <p>4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component,</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7659

RATE SCHEDULESCHEDULE IDDESCRIPTION

Economic Development Rate, FERC Intervention Costs, Uncollectible Cost of Gas and applicable taxes and fees, including franchise fees.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and/or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs and (g) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and /or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs.

8. Economic Development Cost Recovery - The rate per billing unit pursuant to Rate Schedule EDR.

9. FERC Intervention Costs - costs prudently incurred from outside vendors and attorneys after January 1, 2008 for the purpose of protecting the interest of sales customers in the El Paso Service Area in connection with negotiating Federal Energy Regulatory Commission (FERC) related issues with upstream pipelines or intervention and participation in proceedings at the FERC. FERC Intervention Costs may also

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7659

RATE SCHEDULESCHEDULE IDDESCRIPTION

include prudently incurred internal travel expenses related to this purpose.

10. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas and recorded in Account No. 1910106 as of the end of each reconciliation period. C. BILLING OF COST OF GAS In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Vinton only a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement Agreement payments allocated to the Village of Vinton are collected by the Company in accordance with the Settlement Agreement.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph F below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the monthly balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the monthly balance multiplied by six percent (6%).

F. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost storage, or gas stored except as prudently and necessarily needed to serve general sales customers in this service area.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Economic Development Rate; (f) the fees (including franchise fees) and taxes; and (g) the Cost of Gas which is the total of items (b) through (f). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall be verified under oath and include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The summary shall include monthly detail and statement of all amounts included other than the gas purchased in sufficient detail for evaluation. The detail for any FERC Intervention costs activities performed and costs incurred on behalf of El Paso Service Area sales customers. This report shall be filed concurrently with the Cost of Gas Statement for December. The Company shall provide complete detail within 20 days of request by a representative of the City of El Paso or other municipality.

I. SUPPORTING MATERIAL ACCOMPANYING ANNUAL RECONCILIATION REPORT

The Company shall file supporting materials with its Annual Reconciliation Report

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7659

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to demonstrate that gas costs were acquired during ordinary and atypical periods at the lowest prudently incurred price and necessary to provide reliable service to retail customers.

Supersedes Same Rate Schedule Dated Meters Read On and After

September 3, 2004 (City of El Paso) February 15, 2008
September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

27-EPSvcA-IS-MunWat

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE NO. 27 MUNICIPAL WATER PUMPING SERVICE RATE APPLICABILITY Applicable to gas used in internal combustion engines by various municipal agencies in El Paso County, Texas. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY The incorporated areas of El Paso, Anthony, Clint, Horizon City, Socorro, and Vinton, Texas COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$75.00 plus The First 5000 Ccf \$.07134 per Ccf All Over 5000 Ccf .06134 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1-INC multiplied by the total Ccf consumed during the billing month. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other consumers. 2. The applicability section of this rate notwithstanding, if a customer, other than a full requirement customer, pays a standby charge pursuant to Rate Schedule S.S., Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Rate Schedules Meters Read On and After 27 and 30 dated August 30, 2006 February 15, 2008

EDR-EPSvcA-IS-EcDev

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE EDR ECONOMIC DEVELOPMENT RATE A. APPLICABILITY This Economic Development Rate (EDR) rate schedule shall apply to the following rate schedules for the incorporated areas of the El Paso Service Area: 10, 20, 21, 25, 26, 27, 40, C-1 and T-1. B. TERRITORY Incorporated Areas of the El Paso Service Area - Cities of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas C. PURPOSE This rate schedule provides for the recovery of costs that TGS incurs related to economic development in the El Paso Service Area. Successful economic development will only occur to the extent that the community and its corporate partners provide the necessary support to attract new businesses and industries to this region. New businesses and industries will increase employment, spur growth and local business expansion, create a more robust economy and improve the quality of life for the region. D. EDR RATE The EDR rate: During each Monthly Billing Period All Ccf @ \$.002 per Ccf All applicable fees and taxes will be added to the EDR rates. D. BILLING 1. The EDR rate shall be included as a component of the Company's Cost of Gas (per Ccf rate) for rate schedules: 10, 20, 21, 22, 25, 26, 27, 40 and C-1. 2. The EDR rate shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: T-1. Supersedes Same Rate Schedule Dated Meters Read On and After September 3, 2004 (City of El Paso) February 15, 2008 September 29, 2004 (Cities of Anthony,

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7659

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Clint, Vinton, Socorro & Horizon City)

IRA-EPSvcA-IS-IRAAdj

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
IRA INTERIM RATE ADJUSTMENT 2007 A. APPLICABILITY This Interim Rate
Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service
Company (Company) currently in force in the incorporated areas of El Paso, Anthony,
Clint, Vinton, Socorro and Horizon City, Texas. Applicable rate schedules include
10, 20, 21, 25, 26, 27, 40, SS, C-1, T-1. B. PURPOSE Section 104.301, Subchapter
G of the Texas Utility Code, effective on September 1, 2003, provides for an
interim adjustment in a gas utility's monthly customer charge or initial block
usage rate to recover the cost of changes in the utility's infrastructure
investment and related expenses and revenues for providing gas utility service.
The filing date of the utility's most recent rate case establishing rates for the
area in which the interim rate adjustment will apply shall be no more than two
years prior to the date the utility files its initial interim rate adjustment
application for that area. The interim adjustment shall be recalculated on an
annual basis, unless the utility files a written request and obtains approval from
the regulatory authority to suspend the operation of the interim adjustment rate
schedule for any year. This rate schedule establishes the interim adjustment
provisions consistent with Section 104.301, Subchapter G of the Texas Utility Code.

C. BILLING The following Interim Rate Adjustments will be added to the
applicable Rate Schedule Customer Charge for each monthly billing period: Rate
Schedule Customer Class IRA

10	Residential				
\$ 0.30	20	Commercial			
	\$ 1.00	21	Commercial A/C		
		\$ 1.00	25	Public Authority	
		\$ 3.21	26		
Public Authority A/C			\$ 3.21	27	
Municipal Water Pumping			\$ 18.63	40	
Industrial				\$ 12.51	
SS	Stand By Service				\$
12.51	C-1	Cogeneration			
	\$ 60.50	T-1	Transportation		
		\$ 60.50	All applicable fees and taxes will be added to		

the above rate. D. COMPUTATION OF IRA RATE The amount the Company shall

adjust its utility rates upward or downward under this rate schedule each calendar
year is based on the difference between the value of the invested capital for the
preceding calendar year and the value of the invested capital for the calendar year
preceding that calendar year. The value of the invested capital is equal to the
original cost of the investment at the time the investment was first dedicated to
public use minus the accumulated depreciation related to that investment. Based
on the difference between the values of the invested capital amounts as determined
above, the Company may adjust only the following related components of its revenue
requirement: return on investment, depreciation expense, ad valorem taxes, revenue
related taxes and incremental federal income taxes. The factors for these
components shall be the same as those established in the Company's most recent rate
case for the service area in which this interim rate adjustment is to be
implemented. The revenue requirement calculated pursuant to this rate schedule
shall be allocated among the Company's customer classes for this service area in
the same manner as the cost of service was allocated among customer classes in the
Company's latest effective rates for this area. E. FILING WITH THE REGULATORY

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AUTHORITY 1. The Company shall file either the initial interim adjustment or the annual interim adjustment with the regulatory authority at least 60 days before the proposed implementation date. During the 60-day period, the regulatory authority may act to suspend implementation of the adjustment. 2. The Company shall provide notice to customers by bill insert or direct mail not later than the 45th day after the date of filing the interim adjustment. 3. The Company shall file with the regulatory authority an annual report describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year. The annual report shall also state the cost, need, and customers benefited by the change in investment. 4.

In addition, the Company shall file with the regulatory authority an annual earnings monitoring report demonstrating the Company's earnings during the preceding calendar year. Should the Company earn a return of more than 75 basis points above the return established in the latest effective rates implemented under this rate schedule, the Company shall file a statement stating the reasons why the rates are not unreasonable or in violation of the law. 5. After the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, any change in investment that has been included in an approved interim adjustment shall no longer be subject to subsequent review for reasonableness or prudence. All amounts collected under this rate schedule are subject to refund until the issuance of a final decision in the next rate case filing for this service area. 6. The Company shall file a rate case not later than the 180th day after the fifth anniversary date its initial interim rate adjustment for this service area became effective. 7. The provisions under Section 104.301, Subchapter G of the Texas Utility Code for this interim adjustment do not limit the power of the regulatory authority under Section 104.151. Supersedes Rate Schedule ICR dated Meters Read On and After September 3, 2004 (City of El Paso) September 5, 2008 Rate Schedule IRA dated July 22, 2008 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

ORD-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
ORD-ELP CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS rate case filed 08/31/07, the following cities approved the same Cost of Gas Clause, Economic Development Rate, General Charges and Provisions for Transport Service (T-GEN), Quality of Service Rules and Cost of Service rates for gas sales and standard transport. City approvals are as follows:
City Ordinance or Resolution # Date Ordinance Passed Effective Date
of Gas Sales Rate Schedules Anthony 370 01/08/08 02/15/2008 Clint --
01/15/08 02/15/2008 El Paso -- 02/05/08 02/15/2008 Horizon City --
01/08/08 02/15/2008 Socorro 356 01/17/08 02/15/2008 Vinton 08-1-15
01/15/08 02/15/2008 Initial February 15, 2008

ORD-IRA-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 5/23/08, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: City

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TARIFF CODE: DS RRC TARIFF NO: 7659

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Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules Anthony* No Action Via Operation of Law 7/22/08 9/5/08 Clint* No Action Via Operation of Law 7/22/08 9/5/08 Horizon City* No Action Via Operation of Law 7/22/08 9/5/08 Socorro* No Action Via Operation of Law 7/22/08 9/5/08 Vinton* No Action Via Operation of Law 7/22/08 9/5/08 El Paso Resolution dated 8/26/08 8/26/08 9/5/08 *Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 8/26/2008 with City of El Paso. The Company chose to implement revised Rate Schedule IRA in the Cities of Anthony, Clint, Horizon City, Socorro and Vinton effective September 5, 2008. These Cities were previously on Rate Schedule IRA dated Meters Read On and After July 22, 2008. Supersedes same Rate Schedule dated July 22, 2008 Effective September 5, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B)

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the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

TF-HacDel-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - HACIENDAS DEL VALLE TAPPING FEE RATE - HACIENDAS DEL VALLE
COLONIA A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C)
below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall
apply to all existing and subsequent customers in the Haciendas Del Valle Colonia.
B. TERRITORY Haciendas Del Valle Colonia in the City of Socorro, TX. C. CURRENT
RATE During each monthly billing period: A tapping fee charge per meter per
month of \$ 3.63 Initial Rate Meters Read On
and After August 30, 2006

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7659

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
TF-Jones-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - JONES TAPPING FEE RATE - JONES SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Jones Subdivision. B. TERRITORY Jones Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 7.82 Initial Rate Meters Read On and After May 20, 2009</p>
TF-Poole-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - POOLE TAPPING FEE RATE - POOLE SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Poole Subdivision. B. TERRITORY Poole Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 6.29 Initial Rate Meters Read On and After July 11, 2008</p>
TF-VAcres-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - VINEDO ACRES TAPPING FEE RATE - VINEDO ACRES/F.E. JACKSON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Vinedo Acres/F.E. Jackson Subdivision. B. TERRITORY Vinedo Acres/F.E. Jackson Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.37. Initial Rate Meters Read On and After November 30, 2005</p>

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>
8881	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.4893	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.5186	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.5995	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.6287	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.6010	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7659

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8886	N	Ccf	\$.6302	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.3456	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: ORD-IRA-EPSvcA & ORD-EPSvcA

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Eff 05/20/09, initial Tapping Fee Rate Schedule TF-Jones-Socorro-IS is added for incorporated Socorro, TX.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	27_Municipal Water Pumping Service_El Paso Svc Area - Incorp. El Paso, Anthony, Clint, Vinton, Socorro & Horizon City, TX

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7660

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/15/2008 ORIGINAL CONTRACT DATE: 02/15/2008 RECEIVED DATE: 06/17/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-INC-EPSvcA-IS-CO	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE NO. 1-1-INC COST OF GAS CLAUSE</p> <p>A. APPLICABILITY</p> <p>This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its El Paso Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. Transportation costs shall be inclusive of all upstream transportation costs imposed by the transportation service providers and shall include, but not be limited to, pipeline reservation charges, transportation commodity charges, applicable line loss charges, balancing charges, penalties, and any other related costs and expenses. The Cost of Purchased Gas shall also include any surcharge or refund the Company may receive from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. No costs of natural gas financial instruments purchased from or sold to companies affiliated with the Company shall be allowed.</p> <p>2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.</p> <p>3. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment to correct any known and quantifiable under or over collection prior to the end of the reconciliation period.</p> <p>4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component,</p>

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7660

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Economic Development Rate, FERC Intervention Costs, Uncollectible Cost of Gas and applicable taxes and fees, including franchise fees.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and/or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs and (g) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and /or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs.

8. Economic Development Cost Recovery - The rate per billing unit pursuant to Rate Schedule EDR.

9. FERC Intervention Costs - costs prudently incurred from outside vendors and attorneys after January 1, 2008 for the purpose of protecting the interest of sales customers in the El Paso Service Area in connection with negotiating Federal Energy Regulatory Commission (FERC) related issues with upstream pipelines or intervention and participation in proceedings at the FERC. FERC Intervention Costs may also

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include prudently incurred internal travel expenses related to this purpose.

10. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas and recorded in Account No. 1910106 as of the end of each reconciliation period. C. BILLING OF COST OF GAS In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Vinton only a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement Agreement payments allocated to the Village of Vinton are collected by the Company in accordance with the Settlement Agreement.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph F below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the monthly balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the monthly balance multiplied by six percent (6%).

F. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the

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following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost storage, or gas stored except as prudently and necessarily needed to serve general sales customers in this service area.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Economic Development Rate; (f) the fees (including franchise fees) and taxes; and (g) the Cost of Gas which is the total of items (b) through (f). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall be verified under oath and include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The summary shall include monthly detail and statement of all amounts included other than the gas purchased in sufficient detail for evaluation. The detail for any FERC Intervention costs activities performed and costs incurred on behalf of El Paso Service Area sales customers. This report shall be filed concurrently with the Cost of Gas Statement for December. The Company shall provide complete detail within 20 days of request by a representative of the City of El Paso or other municipality.

I. SUPPORTING MATERIAL ACCOMPANYING ANNUAL RECONCILIATION REPORT

The Company shall file supporting materials with its Annual Reconciliation Report

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to demonstrate that gas costs were acquired during ordinary and atypical periods at the lowest prudently incurred price and necessary to provide reliable service to retail customers.

Supersedes Same Rate Schedule Dated Meters Read On and After

September 3, 2004 (City of El Paso) February 15, 2008
September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

40-EPSvcA-IS-Ind

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE NO. 40 INDUSTRIAL SERVICE RATE APPLICABILITY Applicable to industrial consumers and to consumers not otherwise specifically provided for under any other rate schedule. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY The incorporated areas of El Paso, Anthony, Clint, Horizon City, Socorro, and Vinton, Texas COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$71.50 plus - The First 100 Ccf No charge The Next 400 Ccf \$.14450 per Ccf The Next 2500 Ccf .13451 per Ccf All Over 3000 Ccf .06366 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1-INC multiplied by the total Ccf consumed during the billing month. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. 2. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S.S., Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Rate Schedules Meters Read On and After 40 and 42 dated August 30, 2006 February 15, 2008

EDR-EPSvcA-IS-EcDev

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE EDR ECONOMIC DEVELOPMENT RATE A. APPLICABILITY This Economic Development Rate (EDR) rate schedule shall apply to the following rate schedules for the incorporated areas of the El Paso Service Area: 10, 20, 21, 25, 26, 27, 40, C-1 and T-1. B. TERRITORY Incorporated Areas of the El Paso Service Area - Cities of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas C. PURPOSE This rate schedule provides for the recovery of costs that TGS incurs related to economic development in the El Paso Service Area. Successful economic development will only occur to the extent that the community and its corporate partners provide the necessary support to attract new businesses and industries to this region. New businesses and industries will increase employment, spur growth and local business expansion, create a more robust economy and improve the quality of life for the region. D. EDR RATE The EDR rate: During each Monthly Billing Period All Ccf @ \$.002 per Ccf All applicable fees and taxes will be added to the EDR rates. D. BILLING 1. The EDR rate shall be included as a component of the Company's Cost of Gas (per Ccf rate) for rate schedules: 10, 20, 21, 22, 25, 26, 27, 40 and C-1. 2. The EDR rate shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: T-1. Supersedes Same Rate Schedule Dated Meters Read On and After September 3, 2004 (City of El Paso) February 15, 2008 September 29, 2004 (Cities of Anthony,

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Clint, Vinton, Socorro & Horizon City)

IRA-EPSvcA-IS-IRAAdj

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
IRA INTERIM RATE ADJUSTMENT 2007 A. APPLICABILITY This Interim Rate
Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service
Company (Company) currently in force in the incorporated areas of El Paso, Anthony,
Clint, Vinton, Socorro and Horizon City, Texas. Applicable rate schedules include
10, 20, 21, 25, 26, 27, 40, SS, C-1, T-1. B. PURPOSE Section 104.301, Subchapter
G of the Texas Utility Code, effective on September 1, 2003, provides for an
interim adjustment in a gas utility's monthly customer charge or initial block
usage rate to recover the cost of changes in the utility's infrastructure
investment and related expenses and revenues for providing gas utility service.
The filing date of the utility's most recent rate case establishing rates for the
area in which the interim rate adjustment will apply shall be no more than two
years prior to the date the utility files its initial interim rate adjustment
application for that area. The interim adjustment shall be recalculated on an
annual basis, unless the utility files a written request and obtains approval from
the regulatory authority to suspend the operation of the interim adjustment rate
schedule for any year. This rate schedule establishes the interim adjustment
provisions consistent with Section 104.301, Subchapter G of the Texas Utility Code.

C. BILLING The following Interim Rate Adjustments will be added to the
applicable Rate Schedule Customer Charge for each monthly billing period: Rate
Schedule Customer Class IRA

10	Residential			
\$ 0.30	20	Commercial		
	\$ 1.00	21	Commercial A/C	
		\$ 1.00	25	Public Authority
		\$ 3.21	26	
Public Authority A/C		\$ 3.21	27	
Municipal Water Pumping		\$ 18.63	40	
Industrial			\$ 12.51	
SS	Stand By Service			\$
12.51	C-1	Cogeneration		
	\$ 60.50	T-1	Transportation	
		\$ 60.50		

the above rate. D. COMPUTATION OF IRA RATE The amount the Company shall
adjust its utility rates upward or downward under this rate schedule each calendar
year is based on the difference between the value of the invested capital for the
preceding calendar year and the value of the invested capital for the calendar year
preceding that calendar year. The value of the invested capital is equal to the
original cost of the investment at the time the investment was first dedicated to
public use minus the accumulated depreciation related to that investment. Based
on the difference between the values of the invested capital amounts as determined
above, the Company may adjust only the following related components of its revenue
requirement: return on investment, depreciation expense, ad valorem taxes, revenue
related taxes and incremental federal income taxes. The factors for these
components shall be the same as those established in the Company's most recent rate
case for the service area in which this interim rate adjustment is to be
implemented. The revenue requirement calculated pursuant to this rate schedule
shall be allocated among the Company's customer classes for this service area in
the same manner as the cost of service was allocated among customer classes in the
Company's latest effective rates for this area. E. FILING WITH THE REGULATORY

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AUTHORITY 1. The Company shall file either the initial interim adjustment or the annual interim adjustment with the regulatory authority at least 60 days before the proposed implementation date. During the 60-day period, the regulatory authority may act to suspend implementation of the adjustment. 2. The Company shall provide notice to customers by bill insert or direct mail not later than the 45th day after the date of filing the interim adjustment. 3. The Company shall file with the regulatory authority an annual report describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year. The annual report shall also state the cost, need, and customers benefited by the change in investment. 4.

In addition, the Company shall file with the regulatory authority an annual earnings monitoring report demonstrating the Company's earnings during the preceding calendar year. Should the Company earn a return of more than 75 basis points above the return established in the latest effective rates implemented under this rate schedule, the Company shall file a statement stating the reasons why the rates are not unreasonable or in violation of the law. 5. After the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, any change in investment that has been included in an approved interim adjustment shall no longer be subject to subsequent review for reasonableness or prudence. All amounts collected under this rate schedule are subject to refund until the issuance of a final decision in the next rate case filing for this service area. 6. The Company shall file a rate case not later than the 180th day after the fifth anniversary date its initial interim rate adjustment for this service area became effective. 7. The provisions under Section 104.301, Subchapter G of the Texas Utility Code for this interim adjustment do not limit the power of the regulatory authority under Section 104.151. Supersedes Rate Schedule ICR dated

Meters Read On and After September 3, 2004 (City of El Paso)

September 5, 2008 Rate Schedule IRA dated July 22, 2008 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

ORD-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-ELP CITY ORDINANCE LISTING APPLICABILITY

Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS rate case filed 08/31/07, the following cities approved the same Cost of Gas Clause, Economic Development Rate, General Charges and Provisions for Transport Service (T-GEN), Quality of Service Rules and Cost of Service rates for gas sales and standard transport. City approvals are as follows:

City Ordinance or Resolution #	Date Ordinance Passed	Effective Date	City
Anthony 370	01/08/08	02/15/2008	Clint --
01/15/08	02/15/2008	El Paso --	02/05/08 02/15/2008
Horizon City --			
01/08/08	02/15/2008	Socorro 356	01/17/08 02/15/2008
Vinton	08-1-15		
01/15/08	02/15/2008	Initial	February 15, 2008

ORD-IRA-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY

Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 5/23/08, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: City

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Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules Anthony* No Action Via Operation of Law 7/22/08 9/5/08 Clint* No Action Via Operation of Law 7/22/08 9/5/08 Horizon City* No Action Via Operation of Law 7/22/08 9/5/08 Socorro* No Action Via Operation of Law 7/22/08 9/5/08 Vinton* No Action Via Operation of Law 7/22/08 9/5/08 El Paso Resolution dated 8/26/08 8/26/08 9/5/08 *Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 8/26/2008 with City of El Paso. The Company chose to implement revised Rate Schedule IRA in the Cities of Anthony, Clint, Horizon City, Socorro and Vinton effective September 5, 2008. These Cities were previously on Rate Schedule IRA dated Meters Read On and After July 22, 2008. Supersedes same Rate Schedule dated July 22, 2008 Effective September 5, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B)

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the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

TF-HacDel-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - HACIENDAS DEL VALLE TAPPING FEE RATE - HACIENDAS DEL VALLE
COLONIA A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C)
below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall
apply to all existing and subsequent customers in the Haciendas Del Valle Colonia.
B. TERRITORY Haciendas Del Valle Colonia in the City of Socorro, TX. C. CURRENT
RATE During each monthly billing period: A tapping fee charge per meter per
month of \$ 3.63 Initial Rate Meters Read On
and After August 30, 2006

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TF-Jones-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - JONES TAPPING FEE RATE - JONES SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Jones Subdivision. B. TERRITORY Jones Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 7.82 Initial Rate Meters Read On and After May 20, 2009</p>
TF-Poole-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - POOLE TAPPING FEE RATE - POOLE SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Poole Subdivision. B. TERRITORY Poole Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 6.29 Initial Rate Meters Read On and After July 11, 2008</p>
TF-VAcres-Socorro-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF - VINEDO ACRES TAPPING FEE RATE - VINEDO ACRES/F.E. JACKSON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Vinedo Acres/F.E. Jackson Subdivision. B. TERRITORY Vinedo Acres/F.E. Jackson Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.37. Initial Rate Meters Read On and After November 30, 2005</p>

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>
8881	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.4893	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.5186	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.5995	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.6287	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.6010	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7660

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8886	N	Ccf	\$.6302	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.3456	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: ORD-IRA-EPSvcA & ORD-EPSvcA

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Eff 05/20/09, initial Tapping Fee Rate Schedule TF-Jones-Socorro-IS is added for incorporated Socorro, TX.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	40_Industrial Sales_El Paso Svc Area - Incorpor. El Paso, Anthony, Clint, Vinton, Socorro & Horizon City, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7669

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/23/2003 ORIGINAL CONTRACT DATE: 05/23/2003 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7669

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

TF-Conn-ElPaso-OS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF-ENV-CONNINGTON TAPPING FEE RATE - CONNINGTON
SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Connington Subdivision. B. TERRITORY Connington Subdivision in the environs of the El Paso Service Area. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 4.70. Initial Rate Meters Read On and After August 29, 2008

TF-OShea-ElPaso-OS

TEXAS GAS SERVICE COMPANY
El Paso Service Area - West Texas Region

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7669

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

RATE SCHEDULE TF-ENV-O'SHEA

TAPPING FEE RATE - O'SHEA SUBDIVISION

A. APPLICABILITY

The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the O'Shea Subdivision.

B. TERRITORY

O'Shea Subdivision in the environs of El Paso, TX.

C. CURRENT RATE

During each monthly billing period: A tapping fee charge per meter per month of \$ 5.43.

Initial Rate

Meters Read On and After

September 29, 2004

1-1-ElPasSvcA-OS-COG

TEXAS GAS SERVICE

COMPANY

RATE SCHEDULE NO.

1-1

El Paso Service Area - West

Texas Region

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of 4

COST OF GAS

CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its El Paso, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation and storage and

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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RATE SCHEDULE

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associated services. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.

2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers. . For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component and taxes and fees, including franchise fees. The Cost of Gas applicable to the Company's General Service customers in the City of El Paso includes the full amount of franchise fees the Company is required to pay the City of El Paso attributable to gas sold and consumed in the city limits of El Paso pursuant to applicable franchise ordinances. General Service customers in the unincorporated areas and environs are excluded from franchise fees and gross receipts tax.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period.

The audit shall determine:

(a) the total prudently incurred amount paid for Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause.
Entries shall be made monthly to reflect,

(a) the total amounts paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph G below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the average balance multiplied by nine percent (9%). However cost of gas in inventory shall not be included prior to September 24, 2002. If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during October an amount equal to the average balance multiplied by six percent (6%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are related to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost the cost of storage, or gas stored in storage except as prudently and necessarily needed to serve general sales customers in this service area.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.)

The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

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RATE SCHEDULE

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- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the fees (including franchise fees) and taxes; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas; shall include a detailed description of any transactions described in Section G, Non-Utility Transactions, of this Cost of Gas Rate Schedule, including any revenues or costs to the extent known, and shall include a detailed description of the financial instruments executed or utilized by the company as described in the Section B.1. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

May 23, 2003

1Z-EPSvcA-OS-Res

COMPANY

TEXAS GAS SERVICE

West Texas Region

El Paso Service Area -

RATE SCHEDULE 1Z
 RESIDENTIAL SERVICE RATE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7669

RATE SCHEDULESCHEDULE IDDESCRIPTION

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes, including any public housing project and including apartment houses where service for more than one dwelling unit is served through a master meter.

TERRITORY

Environs of the El Paso Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$ 9.74 plus

The First 200 Ccf @ No Charge

All Over 200 Ccf @ \$.08515 per Ccf

Prompt Payment Provision: None.

Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1 multiplied by the total Ccf consumed during the billing month.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.

2. The applicability section of this rate notwithstanding, if a customer, other than a full requirement customer, pays a standby charge pursuant to Rate Schedule S.S., Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

May 23, 2003

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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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>
8889	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7669

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8888	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7669

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8889	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9342 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7669

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 1Z_Residential Sales_El Paso Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 05/23/2003 ORIGINAL CONTRACT DATE: 05/23/2003 RECEIVED DATE: 04/09/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-ElPasSvcA-OS-COG	COMPANY	TEXAS GAS SERVICE
		RATE SCHEDULE NO.
	1-1	
	Texas Region	El Paso Service Area - West
	of 4	Page 1
	CLAUSE	COST OF GAS
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its El Paso, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation and storage and associated services. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.	
	2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers. . For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.	
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

RATE SCHEDULESCHEDULE IDDESCRIPTION

of Gas Clause, consisting of the Commodity Cost, a reconciliation component and taxes and fees, including franchise fees. The Cost of Gas applicable to the Company's General Service customers in the City of El Paso includes the full amount of franchise fees the Company is required to pay the City of El Paso attributable to gas sold and consumed in the city limits of El Paso pursuant to applicable franchise ordinances. General Service customers in the unincorporated areas and environs are excluded from franchise fees and gross receipts tax.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period.

The audit shall determine:

(a) the total prudently incurred amount paid for Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause.

Entries shall be made monthly to reflect,

(a) the total amounts paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

RATE SCHEDULESCHEDULE IDDESCRIPTION

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph G below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the average balance multiplied by nine percent (9%). However cost of gas in inventory shall not be included prior to September 24, 2002. If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during October an amount equal to the average balance multiplied by six percent (6%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are related to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

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Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost the cost of storage, or gas stored in storage except as prudently and necessarily needed to serve general sales customers in this service area.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.)

The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the fees (including franchise fees) and taxes; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas; shall include a detailed description of any transactions described in Section G, Non-Utility Transactions, of this Cost of Gas Rate Schedule, including any revenues or costs to the extent known, and shall include a detailed description of the financial instruments executed or utilized by the company as described in the Section B.1. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

RATE SCHEDULE

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DESCRIPTION

revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

May 23, 2003

2A-EPSvcA-OS-Com AC

TEXAS GAS

SERVICE COMPANY

El Paso Service Area -

West Texas Region

RATE

SCHEDULE 2A

COMMERCIAL AIR CONDITIONING

SERVICE RATE

APPLICABILITY

Applicable to all commercial consumers who have and regularly operate a gas fired air conditioning system.

TERRITORY

Environs of the El Paso Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$14.75 plus - Oct. - April

May - Sept.

Winter

Summer

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>		
	The First 100 Ccf @	No Charge	No Charge
	The Next 400 Ccf @	\$.10448 per Ccf	\$.08548 per Ccf
	The Next 2500 Ccf @	.08445 per Ccf	.06545 per Ccf
	All Over 3000 Ccf @	.06446 per Ccf	.04546 per Ccf

Prompt Payment Provision: None. Above rates are net.

Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1 multiplied by the total Ccf consumed during the billing month.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rate on Rate Schedule No. 2Z.
3. Air conditioning equipment must be inspected and verified as to capacity by qualified company personnel.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

May

23, 2003

PSF-All-ISOS-PipeFee TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009</p>
TF-Conn-ElPaso-OS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF-ENV-CONNINGTON TAPPING FEE RATE - CONNINGTON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Connington Subdivision. B. TERRITORY Connington Subdivision in the environs of the El Paso Service Area. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 4.70. Initial Rate Meters Read On and After August 29, 2008</p>
TF-OsShea-ElPaso-OS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF-ENV-O'SHEA TAPPING FEE RATE - O'SHEA SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the O'Shea Subdivision. B. TERRITORY O'Shea Subdivision in the environs of El Paso, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 5.43. Initial Rate Meters Read On and After September 29, 2004</p>

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8887	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8888	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8889	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9342 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7670

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2A_Commercial A/C Service_El Paso Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/23/2003 ORIGINAL CONTRACT DATE: 05/23/2003 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-ElPasSvcA-OS-COG		TEXAS GAS SERVICE
	COMPANY	
		RATE SCHEDULE NO.
	1-1	
		El Paso Service Area - West
	Texas Region	
		Page 1
	of 4	
		COST OF GAS
	CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its El Paso, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation and storage and associated services. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.	
	2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers. . For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.	
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

RATE SCHEDULESCHEDULE IDDESCRIPTION

of Gas Clause, consisting of the Commodity Cost, a reconciliation component and taxes and fees, including franchise fees. The Cost of Gas applicable to the Company's General Service customers in the City of El Paso includes the full amount of franchise fees the Company is required to pay the City of El Paso attributable to gas sold and consumed in the city limits of El Paso pursuant to applicable franchise ordinances. General Service customers in the unincorporated areas and environs are excluded from franchise fees and gross receipts tax.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period.

The audit shall determine:

(a) the total prudently incurred amount paid for Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause.

Entries shall be made monthly to reflect,

(a) the total amounts paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

RATE SCHEDULESCHEDULE IDDESCRIPTION

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph G below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the average balance multiplied by nine percent (9%). However cost of gas in inventory shall not be included prior to September 24, 2002. If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during October an amount equal to the average balance multiplied by six percent (6%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are related to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

RATE SCHEDULESCHEDULE IDDESCRIPTION

Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost the cost of storage, or gas stored in storage except as prudently and necessarily needed to serve general sales customers in this service area.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.)

The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the fees (including franchise fees) and taxes; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas; shall include a detailed description of any transactions described in Section G, Non-Utility Transactions, of this Cost of Gas Rate Schedule, including any revenues or costs to the extent known, and shall include a detailed description of the financial instruments executed or utilized by the company as described in the Section B.1. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

May 23, 2003

2E-EPSvcA-OS-PubA

COMPANY

West Texas Region

SCHEDULE 2E

SERVICE RATE
APPLICABILITY

Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts.

TERRITORY

Environs of the El Paso Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$21.25 plus		
The First	100 Ccf @	No Charge
The Next	400 Ccf @ \$.11138 per Ccf
The Next	2500 Ccf @	.09139 per Ccf
All Over	3000 Ccf @	.08138 per Ccf

TEXAS GAS SERVICE

El Paso Service Area -

RATE

PUBLIC AUTHORITY

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Prompt Payment Provision: None. Above rates are net.

Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1 multiplied by the total Ccf consumed during the billing month.

CONDITIONS

1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.
2. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S.S., Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate.

Supersedes Same Sheet Dated

Meters Read On and After

August 23, 2000

May 23, 2003

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	March 31, 2009
TF-Conn-ElPaso-OS	TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF-ENV-CONNINGTON TAPPING FEE RATE - CONNINGTON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Connington Subdivision. B. TERRITORY Connington Subdivision in the environs of the El Paso Service Area. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 4.70. Initial Rate Meters Read On and After
	August 29, 2008
TF-O'Shea-ElPaso-OS	TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF-ENV-O'SHEA TAPPING FEE RATE - O'SHEA SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the O'Shea Subdivision. B. TERRITORY O'Shea Subdivision in the environs of El Paso, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 5.43. Initial Rate Meters Read On and After
	September 29, 2004

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8887	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8888	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7671

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8889	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9342 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 2E_Public Authority Sales_El Paso Svc Area - Environs

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7672

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/23/2003 ORIGINAL CONTRACT DATE: 05/23/2003 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-ElPasSvcA-OS-COG		TEXAS GAS SERVICE
	COMPANY	
		RATE SCHEDULE NO.
	1-1	
		El Paso Service Area - West
	Texas Region	
		Page 1
	of 4	
		COST OF GAS
	CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its El Paso, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation and storage and associated services. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.	
	2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers. . For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.	
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7672

RATE SCHEDULESCHEDULE IDDESCRIPTION

of Gas Clause, consisting of the Commodity Cost, a reconciliation component and taxes and fees, including franchise fees. The Cost of Gas applicable to the Company's General Service customers in the City of El Paso includes the full amount of franchise fees the Company is required to pay the City of El Paso attributable to gas sold and consumed in the city limits of El Paso pursuant to applicable franchise ordinances. General Service customers in the unincorporated areas and environs are excluded from franchise fees and gross receipts tax.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period.

The audit shall determine:

(a) the total prudently incurred amount paid for Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause.

Entries shall be made monthly to reflect,

(a) the total amounts paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 7672

RATE SCHEDULESCHEDULE IDDESCRIPTION

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph G below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the average balance multiplied by nine percent (9%). However cost of gas in inventory shall not be included prior to September 24, 2002. If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during October an amount equal to the average balance multiplied by six percent (6%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are related to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility

GAS SERVICES DIVISION

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Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost the cost of storage, or gas stored in storage except as prudently and necessarily needed to serve general sales customers in this service area.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.)

The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the fees (including franchise fees) and taxes; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas; shall include a detailed description of any transactions described in Section G, Non-Utility Transactions, of this Cost of Gas Rate Schedule, including any revenues or costs to the extent known, and shall include a detailed description of the financial instruments executed or utilized by the company as described in the Section B.1. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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DESCRIPTION

revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

May 23, 2003

2F-EPSvcA-OS-PubA AC

TEXAS GAS SERVICE COMPANY
El Paso Service Area - West

Texas Region

RATE SCHEDULE 2F
PUBLIC AUTHORITY AIR CONDITIONING SERVICE

RATE
APPLICABILITY

Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts who have and regularly operate a gas fired central air conditioning system.

TERRITORY
Environs of the El Paso Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$21.25 plus - Oct. - April
May - Sept.

Winter	Summer	
The First 100 Ccf @		No
Charge No Charge		
The Next 400 Ccf @		\$.11138
per Ccf \$.08138 per Ccf		

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7672

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
	The Next 2500 Ccf @	.09139
	per Ccf .06139 per Ccf	
	All Over 3000 Ccf @	
	.08138 per Ccf .05138 per Ccf	

Prompt Payment Provision: None. Above rates are net.

Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1 multiplied by the total Ccf consumed during the billing month.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non- air conditioning usage is subject to the cost of service rate on Rate Schedule No. 2E.
3. Air conditioning equipment must be inspected and verified as to capacity by qualified company personnel.

Supersedes Same Sheet Dated

Meters Read On and After

August 23, 2000

May 23, 2003

PSF-All-ISOS-PipeFee TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of

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RATE SCHEDULE

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DESCRIPTION

a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the

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RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009</p>
<p>TF-Conn-ElPaso-OS</p>	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF-ENV-CONNINGTON TAPPING FEE RATE - CONNINGTON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Connington Subdivision. B. TERRITORY Connington Subdivision in the environs of the El Paso Service Area. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 4.70. Initial Rate Meters Read On and After August 29, 2008</p>
<p>TF-O'Shea-ElPaso-OS</p>	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE TF-ENV-O'SHEA TAPPING FEE RATE - O'SHEA SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the O'Shea Subdivision. B. TERRITORY O'Shea Subdivision in the environs of El Paso, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 5.43. Initial Rate Meters Read On and After September 29, 2004</p>

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>
8887	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7672

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8888	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7672

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8889	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9342 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7672

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2F_Public Authority A/C Service_El Paso Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7673

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/23/2003 ORIGINAL CONTRACT DATE: 05/23/2003 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-ElPasSvcA-OS-COG	COMPANY	TEXAS GAS SERVICE
		RATE SCHEDULE NO.
	1-1	
	Texas Region	El Paso Service Area - West
	of 4	Page 1
	CLAUSE	COST OF GAS
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its El Paso, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation and storage and associated services. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.	
	2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers. . For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.	
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7673

RATE SCHEDULESCHEDULE IDDESCRIPTION

of Gas Clause, consisting of the Commodity Cost, a reconciliation component and taxes and fees, including franchise fees. The Cost of Gas applicable to the Company's General Service customers in the City of El Paso includes the full amount of franchise fees the Company is required to pay the City of El Paso attributable to gas sold and consumed in the city limits of El Paso pursuant to applicable franchise ordinances. General Service customers in the unincorporated areas and environs are excluded from franchise fees and gross receipts tax.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period.

The audit shall determine:

(a) the total prudently incurred amount paid for Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause.

Entries shall be made monthly to reflect,

(a) the total amounts paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7673

RATE SCHEDULESCHEDULE IDDESCRIPTION

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph G below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the average balance multiplied by nine percent (9%). However cost of gas in inventory shall not be included prior to September 24, 2002. If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during October an amount equal to the average balance multiplied by six percent (6%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are related to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost the cost of storage, or gas stored in storage except as prudently and necessarily needed to serve general sales customers in this service area.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.)

The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the fees (including franchise fees) and taxes; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas; shall include a detailed description of any transactions described in Section G, Non-Utility Transactions, of this Cost of Gas Rate Schedule, including any revenues or costs to the extent known, and shall include a detailed description of the financial instruments executed or utilized by the company as described in the Section B.1. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7673

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

May 23, 2003

2G-EPSvcA-OS-MunWat

TEXAS GAS SERVICE COMPANY
El Paso Service Area - West Texas

Region

RATE SCHEDULE 2G
MUNICIPAL WATER PUMPING SERVICE RATE

APPLICABILITY

Applicable to gas used in internal combustion engines by various municipal agencies in El Paso County, Texas.

TERRITORY

Environs of the El Paso Service Area.

COST OF SERVICE RATE

During each monthly billing period:

- A Customer Charge of \$30.22 plus
- The First 5000 Ccf @ \$.07137 per Ccf
- All Over 5000 Ccf @ .06137 per Ccf

Prompt Payment Provision: None.

Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1 multiplied by the

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7673

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

total Ccf consumed during the billing month.

CONDITIONS

1. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other consumers.

2. The applicability section of this rate notwithstanding, if a customer, other than a full requirement customer, pays a standby charge pursuant to Rate Schedule S.S., Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate.

Supersedes Same Sheet Dated

Meters Read On and After

August 23, 2000

May 23, 2003

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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DESCRIPTION

customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

TF-Conn-ElPaso-OS

TEXAS GAS SERVICE COMPANY

El Paso Service Area - West Texas Region

RATE SCHEDULE TF-ENV-CONNINGTON

TAPPING FEE RATE - CONNINGTON

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7673

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Connington Subdivision. B. TERRITORY Connington Subdivision in the environs of the El Paso Service Area. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 4.70. Initial Rate Meters Read On and After August 29, 2008

TF-O'Shea-ElPaso-OS

TEXAS GAS SERVICE COMPANY

El Paso Service Area - West Texas Region

RATE SCHEDULE TF-ENV-O'SHEA

TAPPING FEE RATE - O'SHEA SUBDIVISION

A. APPLICABILITY

The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the O'Shea Subdivision.

B. TERRITORY

O'Shea Subdivision in the environs of El Paso, TX.

C. CURRENT RATE

During each monthly billing period: A tapping fee charge per meter per month of \$ 5.43.

Initial Rate

Meters Read On and After

September 29, 2004

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7673

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8887	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7673

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8888	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7673

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8889	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9342 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7673

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2G_Municipal Water Pumping Service_El Paso Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/23/2003 ORIGINAL CONTRACT DATE: 05/23/2003 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-ElPasSvcA-OS-COG		TEXAS GAS SERVICE
	COMPANY	
		RATE SCHEDULE NO.
	1-1	
		El Paso Service Area - West
	Texas Region	
		Page 1
	of 4	
		COST OF GAS
	CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its El Paso, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation and storage and associated services. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.	
	2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers. . For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.	
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

RATE SCHEDULESCHEDULE IDDESCRIPTION

of Gas Clause, consisting of the Commodity Cost, a reconciliation component and taxes and fees, including franchise fees. The Cost of Gas applicable to the Company's General Service customers in the City of El Paso includes the full amount of franchise fees the Company is required to pay the City of El Paso attributable to gas sold and consumed in the city limits of El Paso pursuant to applicable franchise ordinances. General Service customers in the unincorporated areas and environs are excluded from franchise fees and gross receipts tax.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period.

The audit shall determine:

(a) the total prudently incurred amount paid for Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause.

Entries shall be made monthly to reflect,

(a) the total amounts paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

RATE SCHEDULESCHEDULE IDDESCRIPTION

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph G below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the average balance multiplied by nine percent (9%). However cost of gas in inventory shall not be included prior to September 24, 2002. If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during October an amount equal to the average balance multiplied by six percent (6%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are related to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

RATE SCHEDULESCHEDULE IDDESCRIPTION

Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost the cost of storage, or gas stored in storage except as prudently and necessarily needed to serve general sales customers in this service area.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.)

The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the fees (including franchise fees) and taxes; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas; shall include a detailed description of any transactions described in Section G, Non-Utility Transactions, of this Cost of Gas Rate Schedule, including any revenues or costs to the extent known, and shall include a detailed description of the financial instruments executed or utilized by the company as described in the Section B.1. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

May 23, 2003

2Z-EPSvcA-OS-Com

COMPANY

West Texas Region

SCHEDULE 2Z

SERVICE RATE

APPLICABILITY

Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule.

TERRITORY

Environs of the El Paso Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$14.75 plus
 The First 100 Ccf @ No Charge
 The Next 400 Ccf @ \$.10448 per Ccf
 The Next 2500 Ccf @ .08445 per Ccf
 All Over 3000 Ccf @ .06446 per Ccf

TEXAS GAS SERVICE

El Paso Service Area -

RATE

COMMERCIAL

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Prompt Payment Provision: None. Above rates are net.

Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1 multiplied by the total Ccf consumed during the billing month.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other consumers.

Supersedes Same Sheet Dated

Meters Read On and After

August 23, 2000

May 23, 2003

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge. (5) Each

operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6)

Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a

natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas

master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last

billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected

from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008

March 31, 2009

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

TF-Conn-ElPaso-OS TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
 RATE SCHEDULE TF-ENV-CONNINGTON TAPPING FEE RATE - CONNINGTON
 SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Connington Subdivision. B. TERRITORY Connington Subdivision in the environs of the El Paso Service Area. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 4.70. Initial Rate Meters Read On and After August 29, 2008

TF-O'Shea-ElPaso-OS TEXAS GAS SERVICE COMPANY
 El Paso Service Area - West Texas Region
 RATE SCHEDULE TF-ENV-O'SHEA
 TAPPING FEE RATE - O'SHEA SUBDIVISION
 A. APPLICABILITY
 The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the O'Shea Subdivision.
 B. TERRITORY
 O'Shea Subdivision in the environs of El Paso, TX.
 C. CURRENT RATE
 During each monthly billing period: A tapping fee charge per meter per month of \$ 5.43.
 Initial Rate
 Meters Read On and After
 September 29, 2004

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8887	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8888	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8889	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9342 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7674

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 2Z_Commercial Sales_El Paso Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7676

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/23/2003 ORIGINAL CONTRACT DATE: 05/23/2003 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-ElPasSvcA-OS-COG	COMPANY	TEXAS GAS SERVICE
		RATE SCHEDULE NO.
	1-1	
	Texas Region	El Paso Service Area - West
	of 4	Page 1
	CLAUSE	COST OF GAS
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its El Paso, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation and storage and associated services. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.	
	2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers. . For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.	
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7676

RATE SCHEDULESCHEDULE IDDESCRIPTION

of Gas Clause, consisting of the Commodity Cost, a reconciliation component and taxes and fees, including franchise fees. The Cost of Gas applicable to the Company's General Service customers in the City of El Paso includes the full amount of franchise fees the Company is required to pay the City of El Paso attributable to gas sold and consumed in the city limits of El Paso pursuant to applicable franchise ordinances. General Service customers in the unincorporated areas and environs are excluded from franchise fees and gross receipts tax.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period.

The audit shall determine:

(a) the total prudently incurred amount paid for Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause.

Entries shall be made monthly to reflect,

(a) the total amounts paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7676

RATE SCHEDULESCHEDULE IDDESCRIPTION

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph G below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the average balance multiplied by nine percent (9%). However cost of gas in inventory shall not be included prior to September 24, 2002. If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during October an amount equal to the average balance multiplied by six percent (6%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are related to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost the cost of storage, or gas stored in storage except as prudently and necessarily needed to serve general sales customers in this service area.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.)

The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the fees (including franchise fees) and taxes; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas; shall include a detailed description of any transactions described in Section G, Non-Utility Transactions, of this Cost of Gas Rate Schedule, including any revenues or costs to the extent known, and shall include a detailed description of the financial instruments executed or utilized by the company as described in the Section B.1. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file

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GSD - 1 TARIFF REPORT

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RATE SCHEDULE

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revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

May 23, 2003

4Z-EPSvcA-OS-Ind

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE 4Z INDUSTRIAL SERVICE RATEAPPLICABILITYApplicable to industrial consumers and to consumers not otherwise specifically provided for under any other rate schedule.TERRITORYEnvirons of the El Paso Service Area.COST OF SERVICE RATEDuring each monthly billing period: A Customer Charge of \$50.60 plus - The First 100 Ccf @ No Charge The Next 400 Ccf @ \$.10362 per Ccf The Next 2500 Ccf @ .09363 per Ccf All Over 3000 Ccf @ .06358 per CcfPrompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1 multiplied by the total Ccf consumed during the billing month.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S.S., Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Same Sheet Dated Meters Read On and After August 23, 2000 May 23, 2003

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total

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amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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DESCRIPTION

meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

TF-Conn-ElPaso-OS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
 RATE SCHEDULE TF-ENV-CONNINGTON TAPPING FEE RATE - CONNINGTON
 SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Connington Subdivision. B. TERRITORY Connington Subdivision in the environs of the El Paso Service Area. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 4.70. Initial Rate Meters Read On and After August 29, 2008

TF-O'Shea-ElPaso-OS

TEXAS GAS SERVICE COMPANY
 El Paso Service Area - West Texas Region
 RATE SCHEDULE TF-ENV-O'SHEA
 TAPPING FEE RATE - O'SHEA SUBDIVISION
 A. APPLICABILITY
 The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the O'Shea Subdivision.
 B. TERRITORY
 O'Shea Subdivision in the environs of El Paso, TX.
 C. CURRENT RATE

GAS SERVICES DIVISION
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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

During each monthly billing period: A tapping fee charge per meter per month of \$ 5.43.

Initial Rate

Meters Read On and After

September 29, 2004

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7676

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8887	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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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>
8888	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7676

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8889	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9342 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 4Z_Industrial Sales_El Paso Svc Area - Environs

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/15/2008 ORIGINAL CONTRACT DATE: 02/15/2008 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION									
EDR-EPSvcA-IS-EcDev	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE EDR ECONOMIC DEVELOPMENT RATE A. APPLICABILITY This Economic Development Rate (EDR) rate schedule shall apply to the following rate schedules for the incorporated areas of the El Paso Service Area: 10, 20, 21, 25, 26, 27, 40, C-1 and T-1. B. TERRITORY Incorporated Areas of the El Paso Service Area - Cities of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas C. PURPOSE This rate schedule provides for the recovery of costs that TGS incurs related to economic development in the El Paso Service Area. Successful economic development will only occur to the extent that the community and its corporate partners provide the necessary support to attract new businesses and industries to this region. New businesses and industries will increase employment, spur growth and local business expansion, create a more robust economy and improve the quality of life for the region. D. EDR RATE The EDR rate: During each Monthly Billing Period All Ccf @ \$.002 per Ccf All applicable fees and taxes will be added to the EDR rates. D. BILLING 1. The EDR rate shall be included as a component of the Company's Cost of Gas (per Ccf rate) for rate schedules: 10, 20, 21, 22, 25, 26, 27, 40 and C-1. 2. The EDR rate shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: T-1. Supersedes Same Rate Schedule Dated Meters Read On and After September 3, 2004 (City of El Paso) February 15, 2008 September 29, 2004 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)</p>									
IRA-EPSvcA-IS-IRAAdj	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE IRA INTERIM RATE ADJUSTMENT 2007 A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the incorporated areas of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas. Applicable rate schedules include 10, 20, 21, 25, 26, 27, 40, SS, C-1, T-1. B. PURPOSE Section 104.301, Subchapter G of the Texas Utility Code, effective on September 1, 2003, provides for an interim adjustment in a gas utility's monthly customer charge or initial block usage rate to recover the cost of changes in the utility's infrastructure investment and related expenses and revenues for providing gas utility service. The filing date of the utility's most recent rate case establishing rates for the area in which the interim rate adjustment will apply shall be no more than two years prior to the date the utility files its initial interim rate adjustment application for that area. The interim adjustment shall be recalculated on an annual basis, unless the utility files a written request and obtains approval from the regulatory authority to suspend the operation of the interim adjustment rate schedule for any year. This rate schedule establishes the interim adjustment provisions consistent with Section 104.301, Subchapter G of the Texas Utility Code. C. BILLING The following Interim Rate Adjustments will be added to the applicable Rate Schedule Customer Charge for each monthly billing period: Rate Schedule Customer Class IRA</p> <table border="1"> <tr> <td>10</td> <td>Residential</td> <td></td> </tr> <tr> <td>\$ 0.30</td> <td>20</td> <td>Commercial</td> </tr> <tr> <td></td> <td>\$ 1.00</td> <td>21 Commercial A/C</td> </tr> </table>	10	Residential		\$ 0.30	20	Commercial		\$ 1.00	21 Commercial A/C
10	Residential									
\$ 0.30	20	Commercial								
	\$ 1.00	21 Commercial A/C								

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RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>				
		\$ 1.00	25		Public Authority
			\$ 3.21	26	
	Public Authority A/C		\$ 3.21	27	
	Municipal Water Pumping		\$ 18.63	40	
	Industrial			\$ 12.51	
	SS		Stand By Service		\$
12.51	C-1		Cogeneration		
	\$ 60.50		T-1		Transportation
		\$ 60.50			

the above rate. D. COMPUTATION OF IRA RATE All applicable fees and taxes will be added to the amount the Company shall

adjust its utility rates upward or downward under this rate schedule each calendar year is based on the difference between the value of the invested capital for the preceding calendar year and the value of the invested capital for the calendar year preceding that calendar year. The value of the invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment. Based on the difference between the values of the invested capital amounts as determined above, the Company may adjust only the following related components of its revenue requirement: return on investment, depreciation expense, ad valorem taxes, revenue related taxes and incremental federal income taxes. The factors for these components shall be the same as those established in the Company's most recent rate case for the service area in which this interim rate adjustment is to be implemented.

The revenue requirement calculated pursuant to this rate schedule shall be allocated among the Company's customer classes for this service area in the same manner as the cost of service was allocated among customer classes in the Company's latest effective rates for this area. E. FILING WITH THE REGULATORY AUTHORITY 1. The Company shall file either the initial interim adjustment or the annual interim adjustment with the regulatory authority at least 60 days before the proposed implementation date. During the 60-day period, the regulatory authority may act to suspend implementation of the adjustment. 2. The Company shall provide notice to customers by bill insert or direct mail not later than the 45th day after the date of filing the interim adjustment. 3. The Company shall file with the regulatory authority an annual report describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year. The annual report shall also state the cost, need, and customers benefited by the change in investment. 4.

In addition, the Company shall file with the regulatory authority an annual earnings monitoring report demonstrating the Company's earnings during the preceding calendar year. Should the Company earn a return of more than 75 basis points above the return established in the latest effective rates implemented under this rate schedule, the Company shall file a statement stating the reasons why the rates are not unreasonable or in violation of the law. 5. After the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, any change in investment that has been included in an approved interim adjustment shall no longer be subject to subsequent review for reasonableness or prudence. All amounts collected under this rate schedule are subject to refund until the issuance of a final decision in the next rate case filing for this service area. 6. The Company shall file a rate case not later than the 180th day after the fifth anniversary date its initial interim rate adjustment for this service area became effective. 7. The provisions under Section 104.301, Subchapter G of the Texas

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Utility Code for this interim adjustment do not limit the power of the regulatory authority under Section 104.151. Supersedes Rate Schedule ICR dated Meters Read On and After September 3, 2004 (City of El Paso) September 5, 2008 Rate Schedule IRA dated July 22, 2008 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

ORD-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-ELP CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS rate case filed 08/31/07, the following cities approved the same Cost of Gas Clause, Economic Development Rate, General Charges and Provisions for Transport Service (T-GEN), Quality of Service Rules and Cost of Service rates for gas sales and standard transport. City approvals are as follows: City Ordinance or Resolution # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Anthony 370 01/08/08 02/15/2008 Clint -- 01/15/08 02/15/2008 El Paso -- 02/05/08 02/15/2008 Horizon City -- 01/08/08 02/15/2008 Socorro 356 01/17/08 02/15/2008 Vinton 08-1-15 01/15/08 02/15/2008 Initial February 15, 2008

1-1-INC-EPSvcA-IS-CO

TEXAS GAS SERVICE COMPANY
El Paso Service Area - West Texas Region
RATE SCHEDULE NO. 1-1-INC
COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its El Paso Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. Transportation costs shall be inclusive of all upstream transportation costs imposed by the transportation service providers and shall include, but not be limited to, pipeline reservation charges, transportation commodity charges, applicable line loss charges, balancing charges, penalties, and any other related costs and expenses. The Cost of Purchased Gas shall also include any surcharge or refund the Company may receive from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. No costs of natural gas financial instruments purchased from or sold to companies affiliated with the Company shall be allowed.

2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be

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otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment to correct any known and quantifiable under or over collection prior to the end of the reconciliation period.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component, Economic Development Rate, FERC Intervention Costs, Uncollectible Cost of Gas and applicable taxes and fees, including franchise fees.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and/or commodity balancing provisions under the transportation rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs and (g) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for upstream pipeline and /or commodity balancing provisions under the transportation

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rate schedule(s) including but not limited to balancing service rate and stranded capacity charges net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of FERC Intervention Costs.

8. Economic Development Cost Recovery - The rate per billing unit pursuant to Rate Schedule EDR.

9. FERC Intervention Costs - costs prudently incurred from outside vendors and attorneys after January 1, 2008 for the purpose of protecting the interest of sales customers in the El Paso Service Area in connection with negotiating Federal Energy Regulatory Commission (FERC) related issues with upstream pipelines or intervention and participation in proceedings at the FERC. FERC Intervention Costs may also include prudently incurred internal travel expenses related to this purpose.

10. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas and recorded in Account No. 1910106 as of the end of each reconciliation period. C. BILLING OF COST OF GAS In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Vinton only a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement Agreement payments allocated to the Village of Vinton are collected by the Company in accordance with the Settlement Agreement.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph F below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the monthly balance

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multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the monthly balance multiplied by six percent (6%).

F. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost storage, or gas stored except as prudently and necessarily needed to serve general sales customers in this service area.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Economic Development Rate; (f) the fees (including franchise fees) and taxes; and (g) the Cost of Gas which is the total of items (b) through (f). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall be verified under oath and include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general

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service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The summary shall include monthly detail and statement of all amounts included other than the gas purchased in sufficient detail for evaluation. The detail for any FERC Intervention costs activities performed and costs incurred on behalf of El Paso Service Area sales customers. This report shall be filed concurrently with the Cost of Gas Statement for December. The Company shall provide complete detail within 20 days of request by a representative of the City of El Paso or other municipality.

I. SUPPORTING MATERIAL ACCOMPANYING ANNUAL RECONCILIATION REPORT

The Company shall file supporting materials with its Annual Reconciliation Report to demonstrate that gas costs were acquired during ordinary and atypical periods at the lowest prudently incurred price and necessary to provide reliable service to retail customers.

Supersedes Same Rate Schedule Dated	Meters Read On and
After	
September 3, 2004 (City of El Paso)	February 15, 2008
September 29, 2004 (Cities of Anthony,	Clint, Vinton, Socorro & Horizon City)

C-1-EPSvcA-IS-Cogen

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
 RATE SCHEDULE C-1 ELECTRICAL COGENERATION AND ENERGY CONSERVATION RATE
 APPLICABILITY Service under this rate schedule is available to any customer who enters into a contract with the Company to use natural gas for the purpose of cogeneration. Cogeneration is defined as the use of thermal energy to produce electricity with recapture of by-product heat in the form of steam, exhaust heat, etc. for industrial process use, space heating, food processing or other purposes.
 TERRITORY This rate shall be available throughout the Company's El Paso Service Area.
 COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$240.00 plus -

	Oct. - April	May - Sept.	Winter
Summer The First	5,000 Ccf \$.07108 per Ccf	\$.06107 per Ccf	The Next
95,000 Ccf	.06108 per Ccf	.05106 per Ccf	The Next 300,000 Ccf
.05108 per Ccf	.04107 per Ccf	All Over 400,000 Ccf	.04108 per Ccf
.03106 per Ccf	Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1-INC multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Gas taken under this rate shall be used exclusively for the purpose of cogeneration as defined in the Applicability section of this rate schedule and not for other purposes. The gas taken under this rate will be separately metered. 2. This rate will not be available for standby use. 3. For the purpose of this rate, the annual load factor must be 60 percent or greater. The annual load factor is defined as the customer's total annual consumption divided by the customer's peak month consumption times twelve. If less than 60 percent load factor occurs for a twelve-month period, the rate charged will revert back to the rate that the customer would have otherwise been served under. A continuous twelve-month period of 60 percent or better load factor must precede a return to the cogeneration rate. 4. To qualify for the summer discounts, the customers' peak summer months load must be at least 75 percent of the customers' peak winter months load. Failure to meet this requirement will result in an adjustment to the customers' October bill equal to		

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the difference between the winter and summer rates times that year's total May through September consumption by that customer. 5. The curtailment priority of any customer served under this rate schedule shall be the same as the curtailment priority which would pertain if gas were used directly to provide energy for uses as defined and listed in paragraph 14.2 of the Company's Texas Rules of Service. 6. Subject in all respects to applicable laws, rules and regulations from time to time in effect. Supersedes Same Rate Schedule Dated Meters Read On and After August 30, 2006 (Incorporated Areas Only) February 15, 2008 (Incorporated Areas Only)

ORD-IRA-EPSvca-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 5/23/08, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules Anthony* No Action Via Operation of Law 7/22/08 9/5/08 Clint* No Action Via Operation of Law 7/22/08 9/5/08 Horizon City* No Action Via Operation of Law 7/22/08 9/5/08 Socorro* No Action Via Operation of Law 7/22/08 9/5/08 Vinton* No Action Via Operation of Law 7/22/08 9/5/08 El Paso Resolution dated 8/26/08 8/26/08 9/5/08 *Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 8/26/2008 with City of El Paso. The Company chose to implement revised Rate Schedule IRA in the Cities of Anthony, Clint, Horizon City, Socorro and Vinton effective September 5, 2008. These Cities were previously on Rate Schedule IRA dated Meters Read On and After July 22, 2008. Supersedes same Rate Schedule dated July 22, 2008 Effective September 5, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7677

RATE SCHEDULE

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DESCRIPTION

year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

TF-HacDel-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - HACIENDAS DEL VALLE TAPPING FEE RATE - HACIENDAS DEL VALLE COLONIA A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Haciendas Del Valle Colonia.
B. TERRITORY Haciendas Del Valle Colonia in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.63 Initial Rate Meters Read On and After August 30, 2006

TF-Poole-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - POOLE TAPPING FEE RATE - POOLE SUBDIVISION
A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Poole Subdivision.
B. TERRITORY Poole Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 6.29
Initial Rate Meters Read On and After July 11, 2008

TF-VAcres-Socorro-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF - VINEDO ACRES TAPPING FEE RATE - VINEDO ACRES/F.E. JACKSON SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Vinedo Acres/F.E. Jackson Subdivision. B. TERRITORY Vinedo Acres/F.E. Jackson Subdivision in the City of Socorro, TX. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 3.37. Initial Rate Meters Read On and After November 30, 2005

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7677

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8883	N	Ccf	\$.5178	03/31/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.4871	03/31/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.4871	03/31/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.5471	03/31/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.4871	03/31/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.4871	03/31/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.4114	04/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.4114	04/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.4421	04/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.4114	04/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.4114	04/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.4714	04/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.4893	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7677

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8886	N	Ccf	\$.5186	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.5995	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5687	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.6287	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.6010	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N	Ccf	\$.5702	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.6302	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N	Ccf	\$.3456	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7677

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8885	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N	Ccf	\$.3148	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: ORD-IRA-EPSvcA & ORD-EPSvcA
 AMENDMENT(EXPLAIN):
 OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	C-1_Electric Cogeneration & Energy Conservation Rate_El Paso Svc Area - Incorp. El Paso, Anthony, Clint, Horizon City, Socorro & Vinton, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7679

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/23/2003 ORIGINAL CONTRACT DATE: 05/23/2003 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7679

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

TF-Conn-ElPaso-OS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
RATE SCHEDULE TF-ENV-CONNINGTON TAPPING FEE RATE - CONNINGTON
SUBDIVISION A. APPLICABILITY The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the Connington Subdivision. B. TERRITORY Connington Subdivision in the environs of the El Paso Service Area. C. CURRENT RATE During each monthly billing period: A tapping fee charge per meter per month of \$ 4.70. Initial Rate Meters Read On and After August 29, 2008

TF-OShea-ElPaso-OS

TEXAS GAS SERVICE COMPANY
El Paso Service Area - West Texas Region

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7679

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

RATE SCHEDULE TF-ENV-O'SHEA

TAPPING FEE RATE - O'SHEA SUBDIVISION

A. APPLICABILITY

The Tapping Fee rate, as set forth in Section (C) below and pursuant to the Quality of Service Rules, Section 8.9 Tapping Fee, shall apply to all existing and subsequent customers in the O'Shea Subdivision.

B. TERRITORY

O'Shea Subdivision in the environs of El Paso, TX.

C. CURRENT RATE

During each monthly billing period: A tapping fee charge per meter per month of \$ 5.43.

Initial Rate

Meters Read On and After

September 29, 2004

1-1-ElPasSvcA-OS-COG

TEXAS GAS SERVICE

COMPANY

RATE SCHEDULE NO.

1-1

El Paso Service Area - West

Texas Region

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COST OF GAS

CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its El Paso, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation and storage and

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 7679

RATE SCHEDULESCHEDULE IDDESCRIPTION

associated services. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.

2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers. . For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component and taxes and fees, including franchise fees. The Cost of Gas applicable to the Company's General Service customers in the City of El Paso includes the full amount of franchise fees the Company is required to pay the City of El Paso attributable to gas sold and consumed in the city limits of El Paso pursuant to applicable franchise ordinances. General Service customers in the unincorporated areas and environs are excluded from franchise fees and gross receipts tax.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period.

The audit shall determine:

(a) the total prudently incurred amount paid for Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7679

RATE SCHEDULESCHEDULE IDDESCRIPTION

over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause.
Entries shall be made monthly to reflect,

(a) the total amounts paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph G below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the average balance multiplied by nine percent (9%). However cost of gas in inventory shall not be included prior to September 24, 2002. If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during October an amount equal to the average balance multiplied by six percent (6%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made

GAS SERVICES DIVISION

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for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are related to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas cost the cost of storage, or gas stored in storage except as prudently and necessarily needed to serve general sales customers in this service area.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.)

The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

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- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the fees (including franchise fees) and taxes; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas; shall include a detailed description of any transactions described in Section G, Non-Utility Transactions, of this Cost of Gas Rate Schedule, including any revenues or costs to the extent known, and shall include a detailed description of the financial instruments executed or utilized by the company as described in the Section B.1. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

May 23, 2003

C-1-EPSvcA-OS-Cogen

TEXAS GAS SERVICE COMPANY
El Paso Service Area - West Texas Region
RATE SCHEDULE C-1

ELECTRICAL COGENERATION AND ENERGY CONSERVATION RATE

APPLICABILITY

Service under this rate schedule is available to any customer who enters into a contract with the Company to use natural gas for the purpose of cogeneration.

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DESCRIPTION

Cogeneration is defined as the use of thermal energy to produce electricity with recapture of by-product heat in the form of steam, exhaust heat, etc. for industrial process use, space heating, food processing or other purposes.

TERRITORY

This rate shall be available throughout the Company's El Paso Service Area.

COST OF SERVICE RATE

During each monthly billing period: A Customer Charge of \$109.50 plus -

		Oct. - April		May - Sept.
		Winter		Summer
The First	5,000 Ccf \$.07107 per Ccf	\$.06106 per Ccf
The Next	95,000 Ccf	.06107 per Ccf		.05105 per Ccf
The Next	300,000 Ccf	.05107 per Ccf		.04106 per Ccf
All Over	400,000 Ccf	.04107 per Ccf		.03105 per Ccf

Cost of Gas Component:

In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-1-INC multiplied by the total Ccf consumed during the billing month.

CONDITIONS

1. Gas taken under this rate shall be used exclusively for the purpose of cogeneration as defined in the Applicability section of this rate schedule and not for other purposes. The gas taken under this rate will be separately metered.
2. This rate will not be available for standby use.
3. For the purpose of this rate, the annual load factor must be 60 percent or greater. The annual load factor is defined as the customer's total annual consumption divided by the customer's peak month consumption times twelve. If less than 60 percent load factor occurs for a twelve-month period, the rate charged will revert back to the rate that the customer would have otherwise been served under. A continuous twelve-month period of 60 percent or better load factor must precede a return to the cogeneration rate.
4. To qualify for the summer discounts, the customers' peak summer months load must be at least 75 percent of the customers' peak winter months load. Failure to meet this requirement will result in an adjustment to the customers' October bill equal to the difference between the winter and summer rates times that year's total May through September consumption by that customer.
5. The curtailment priority of any customer served under this rate schedule shall be the same as the curtailment priority which would pertain if gas were used directly to provide energy for uses as defined and listed in paragraph 14.2 of the Company's Texas Rules of Service.

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6. Subject in all respects to applicable laws, rules and regulations from time to time in effect.

Supersedes Same Rate Schedule Dated
Meters Read On and After
September 1, 1996

May 23, 2003 (Environ)

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 7679

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8889	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4851	03/31/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4094	04/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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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>
8888	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.4586	06/01/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5667	06/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			

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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>
8889	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.5682	07/30/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			
8887	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	ANTHONY - ENV (EL PASO SVC AREA)			
8888	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	CLINT - ENV (EL PASO SVC AREA)			
8889	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	EL PASO - ENV (EL PASO SVC AREA)			
8890	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	FABENS - ENV (EL PASO SVC AREA)			
8891	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	HORIZON CITY - ENV (EL PASO SVC AREA)			
8892	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SAN ELIZARIO - ENV (EL PASO SVC AREA)			
8893	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	SOCORRO - ENV (EL PASO SVC AREA)			
8894	N	Ccf	\$.3128	08/28/2009
<u>CUSTOMER NAME</u>	VINTON - ENV (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9342 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7679

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	C-1_Electric Cogeneration & Energy Conservation Rate_El Paso Svc Area - Environs

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7680

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7680

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

1-1-SoJef-OS-COG

TEXAS GAS

SERVICE COMPANY

South Jefferson County

Service Area - Gulf Coast Region

RATE

SCHEDULE NO. 1-1

COST OF

GAS CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7680

RATE SCHEDULESCHEDULE IDDESCRIPTION

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7680

RATE SCHEDULESCHEDULE IDDESCRIPTION

over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7680

RATE SCHEDULESCHEDULE IDDESCRIPTION

shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7680

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated

Meters Read On and After

February 13, 1992

August 24, 2001

C-1-SoJef-OS-Cogen

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE C-1 Page 1 of 2 ELECTRICAL COGENERATION AND ENERGY CONSERVATION
SERVICE RATEAPPLICABILITY Service under this rate schedule is available to any customer who enters into a contract with the Company to use natural gas for the purpose of cogeneration. Cogeneration is defined as the use of thermal energy to produce electricity with recapture of by-product heat in the form of steam, exhaust heat, etc. for industrial process use, space heating, food processing or other purposes.TERRITORY This rate shall be available throughout the Company's Jefferson County Service Area including Port Arthur, Port Neches, Nederland, and Groves. (Excludes City of Port Arthur effective Dec 23, 2002. Excludes Cities of Groves, Nederland and Port Neches effective April 24, 2003.)COST OF SERVICE RATEDuring each monthly billing period: Nov. - Apr. May - Oct. Winter
Summer A Customer Charge of \$300.00 per meter plus - For the first
5,000 Ccf/Month - \$.1162 \$.0930For the next 15,000 Ccf/Month - \$
.1107 \$.0886For the next 30,000 Ccf/Month - \$.1052 \$.0842All Over
50,000 Ccf/Month - \$.0997 \$.0798COST OF GASIn addition to the cost of service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule No. 1-1 and 1-1-INC.CONDITIONS1. Gas taken under this rate shall be used exclusively for the purpose of cogeneration as defined in the Applicability section of this rate schedule and not for other purposes. The gas taken under this rate will be separately metered.2. This rate will not be available for standby use. Supersedes Same Sheet Dated Gas Sold On and After November 30, 1988 February 13, 1992 (Revised) TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region RATE SCHEDULE C-1 Page 2 of 2 ELECTRICAL COGENERATION AND ENERGY CONSERVATION SERVICE RATE(Continued)3. For the

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7680

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

purpose of this rate, the annual load factor must be 60 percent or greater. The annual load factor is defined as the customer's total annual consumption divided by the customer's peak month consumption times twelve. If less than a 60 percent load factor occurs for a twelve-month period, the rate charged will revert back to the rate that the customer would have otherwise been served under. A continuous twelve-month period of 60 percent or better load factor must precede a return to the cogeneration rate.4. To qualify for the summer discounts, the customer's peak summer month's load must be at least 75% of the customer's peak winter month's load. Failure to meet this requirement will result in an adjustment to the customer's October bill equal to the difference between the winter and summer rates times that years total May through September consumption by that customer.5. The curtailment priority of any customer served under this rate schedule shall be the same as the curtailment priority which would pertain if gas were used directly to provide energy for uses as defined and listed in paragraph 14.2 of the Company's Texas Rules of Service.6. Subject in all respects to applicable laws, rules and regulations from time to time in effect. Supersedes Same Sheet Dated Gas Sold On and After November 30, 1988 February 13, 1992 (Revised)

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7680

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7680

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: Agreement in Principle 4/11/03

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	C-1_Electric Cogeneration & Energy Conservation Rate_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7681

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 02/13/1992 ORIGINAL CONTRACT DATE: 02/13/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7681

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

1-1-SoJef-OS-COG

TEXAS GAS

SERVICE COMPANY

South Jefferson County

Service Area - Gulf Coast Region

RATE

SCHEDULE NO. 1-1

COST OF

GAS CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7681

RATE SCHEDULESCHEDULE IDDESCRIPTION

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its South Jefferson County Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, other purchased gas expenses, and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7681

RATE SCHEDULESCHEDULE IDDESCRIPTION

over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7681

RATE SCHEDULESCHEDULE IDDESCRIPTION

shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7681

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. I.

PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clauses for the South Jefferson County Service Area in effect prior to the effective date of this Cost of Gas Clause, remaining at the end of the month in which this Cost of Gas Clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) to be sold during the period commencing with October 1, 1988 and extending through the next following June.

Supersedes Same Sheet Dated
Meters Read On and After
February 13, 1992
August 24, 2001

CNG-1-SoJef-OS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE CNG-1 COMPRESSED NATURAL GAS SERVICE RATE APPLICABILITY Service
under this rate schedule is available to any customer for usage where customer
purchases natural gas which will be compressed and used as a motor fuel. Service
will be separately metered. TERRITORY All areas served by the Company in its South
Jefferson County, Texas Service Area. (Excludes City of Port Arthur effective Dec.
23, 2002. Excludes Cities of Groves, Nederland and Port Neches effective April 24,
2003.) COST OF SERVICE RATE During each monthly billing period: A Customer Charge of
\$10.00 plus - All Ccf per monthly billing period @ \$.0850 per Ccf COST
OF GAS In addition to the cost of service set forth above, each customer's bill
shall include the Cost of Gas for the billing month determined in accordance with
the provisions of the Cost of Gas Clause, Rate Schedule No. 1-1 and 1-1-
INC. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations
from time to time in effect. 2. Delivery of gas hereunder may be interrupted or
curtailed at the discretion of the Company, in case of shortage or threatened
shortage of gas supply from any cause whatsoever, to conserve gas for residential
and other consumers served. 3. The Company's Budget Billing Plan is not available to
customers taking this service. Supersedes Same Sheet Dated August 1, 1989
February 13, 1992

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7681

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8909	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4483	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3671	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3927	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7681

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8908	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			
8907	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - ENV (SO JEFF COUNTY SVC AREA)			
8908	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - ENV (SO JEFF COUNTY SVC AREA)			
8909	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - ENV (SO JEFF COUNTY SVC AREA)			
8910	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - ENV (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: Agreement in Principle 4/11/03

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	CNG-1_Compressed Natural Gas Rate_South Jef Cty Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7682

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 03/31/2008 ORIGINAL CONTRACT DATE: 03/31/2008 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: 03/31/2008 OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7682

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-1-ElPasSvcA-OS-COG

TEXAS GAS SERVICE

COMPANY

RATE SCHEDULE NO.

1-1

El Paso Service Area - West

Texas Region

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of 4

COST OF GAS

CLAUSE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7682

RATE SCHEDULESCHEDULE IDDESCRIPTION

A. APPLICABILITY

This Cost of Gas Clause shall apply to all General Service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its El Paso, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average prudently incurred cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation and storage and associated services. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.

2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during the twelve (12) month period ending June 30 by the sum of the volumes sold to customers. . For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the Commodity Cost, a reconciliation component and taxes and fees, including franchise fees. The Cost of Gas applicable to the Company's General Service customers in the City of El Paso includes the full amount of franchise fees the Company is required to pay the City of El Paso attributable to gas sold and consumed in the city limits of El Paso pursuant to applicable franchise ordinances. General Service customers in the unincorporated areas and environs are excluded from franchise fees and gross receipts tax.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period.

The audit shall determine:

(a) the total prudently incurred amount paid for Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments,

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7682

RATE SCHEDULESCHEDULE IDDESCRIPTION

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause.
Entries shall be made monthly to reflect,

(a) the total amounts paid for the Cost of Purchased Gas as defined in Section B.1. of this Cost of Gas Clause,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the cost of gas incurred during the billing period. The cost of gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the cost of gas was over or under collected for each month including any cost of gas inventory in storage and margins on non utility transactions as described in paragraph G below within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during October an amount equal to the average balance

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7682

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

multiplied by nine percent (9%). However cost of gas in inventory shall not be included prior to September 24, 2002. If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during October an amount equal to the average balance multiplied by six percent (6%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are related to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. NON-UTILITY TRANSACTIONS

The aggregate net margins generated by the company from all Non-utility Transactions shall be divided between the Company and ratepayers with the Company retaining thirty three and one third percent (33 1/3%) of aggregate annual Net Margins generated from such activities and sixty-six and two-thirds percent (66 2/3%) shall be credited to customers in the month during which the transaction closes. For purposes of this provision, Non-Utility Transactions shall mean the following transactions to the extent that such transactions pertain to natural gas supplies, storage, and transportation capacity allocated to customers within the El Paso Service Area: off-system sales of natural gas, releases of transportation or storage capacity, financial arbitrage of storage inventories, trading of natural gas inventories, and use of financial instruments pertaining to purchase, storage, and/or transportation of natural gas, so long as such instruments are not intended to hedge the cost of system supplies. Non-utility Transactions shall not include any transaction conducted by any affiliate of the company. For purposes of this provision, Net Margins shall mean revenues from the aggregate of all Non-Utility Transactions, less the costs to the Company of such transactions, including related taxes, commissions, transaction fees, and transfer fees. The Net Margins allocated to ratepayers shall be credited to the ratepayers once per year through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from such activities and no such losses shall be paid by the ratepayers. This provision does not permit the Company to include in the calculation of gas

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7682

RATE SCHEDULESCHEDULE IDDESCRIPTION

cost the cost of storage, or gas stored in storage except as prudently and necessarily needed to serve general sales customers in this service area.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.)

The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the fees (including franchise fees) and taxes; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas; shall include a detailed description of any transactions described in Section G, Non-Utility Transactions, of this Cost of Gas Rate Schedule, including any revenues or costs to the extent known, and shall include a detailed description of the financial instruments executed or utilized by the company as described in the Section B.1. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. The Company shall not file revised Cost of Gas Statements on dates other than listed above without specific regulatory authority.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated

Meters Read On and After August 23, 2000

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7682

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	May 23, 2003
E5-FortBliss	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE E5 FORT BLISS RATE APPLICABILITY Applicable to the United States Government for all purposes at Fort Bliss, William Beaumont General Hospital, Biggs Field, Logan Heights, The First Calvary Brigade Area, the Station Hospital, Permanent Troop Housing and Supporting Facilities and AFF Board No. 4 and Guided Missile Group and Training Facilities located east of Jeb Stuart Road. RATE During each monthly billing period the sum of items 1 and 2 below: 1. Cost of Service Charge: All Gas @ \$.05241 per Ccf @ 14.9 PSIA. 2. Cost of Gas Charge: In addition to the Cost of Service set forth above, Ft. Bliss billing shall include an amount equal to the Cost of Gas per billing month as determined in accordance with Rate Schedule No. 1-1. Cost per Ccf will be determined at 14.9 PSIA and multiplied by total Ccf consumed during the billing month. CONDITIONS 1. In case of shortage of natural gas supply, or any other emergency not due to fault of the contractor, deliveries of gas hereunder may be curtailed in accordance with contractor's program of curtailment applicable to its consumers in the City of El Paso and Environs. 2. Volume of gas shown by meter readings will be corrected to 14.9 pounds per square inch absolute. Atmospheric pressure is agreed to be 12.8 pounds. 3. Subject to existing contract. Supersedes Rate Sheet Dated Deliveries On and After September 1, 2002 March 31, 2008</p>

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>
9849	Y	Ccf	\$.5539	03/31/2009
<u>CUSTOMER NAME</u>	**CONFIDENTIAL**			
9849	Y	Ccf	\$.4674	04/30/2009
<u>CUSTOMER NAME</u>	**CONFIDENTIAL**			
9849	Y	Ccf	\$.5213	06/01/2009
<u>CUSTOMER NAME</u>	**CONFIDENTIAL**			
9849	Y	Ccf	\$.6471	06/30/2009
<u>CUSTOMER NAME</u>	**CONFIDENTIAL**			
9849	Y	Ccf	\$.6488	07/30/2009
<u>CUSTOMER NAME</u>	**CONFIDENTIAL**			
9849	Y	Ccf	\$.3572	08/28/2009
<u>CUSTOMER NAME</u>	**CONFIDENTIAL**			

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7682

REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

TYPE OF SERVICE SERVICE DESCRIPTION

M Other(with detailed explanation)

OTHER TYPE DESCRIPTION E5_Fort Bliss Rate_El Paso Svc Area - U.S Govt at Fort Bliss

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7683

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 12/09/1986 ORIGINAL CONTRACT DATE: 12/09/1986 RECEIVED DATE: 04/09/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
ORD-IRA-EPSvcA-IS	<p>TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 5/23/08, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules Anthony* No Action Via Operation of Law 7/22/08 9/5/08 Clint* No Action Via Operation of Law 7/22/08 9/5/08 Horizon City* No Action Via Operation of Law 7/22/08 9/5/08 Socorro* No Action Via Operation of Law 7/22/08 9/5/08 Vinton* No Action Via Operation of Law 7/22/08 9/5/08 El Paso Resolution dated 8/26/08 8/26/08 9/5/08 *Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 8/26/2008 with City of El Paso. The Company chose to implement revised Rate Schedule IRA in the Cities of Anthony, Clint, Horizon City, Socorro and Vinton effective September 5, 2008. These Cities were previously on Rate Schedule IRA dated Meters Read On and After July 22, 2008. Supersedes same Rate Schedule dated July 22, 2008 Effective September 5, 2008</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7683

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849;

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7683

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009

SS-EPSvcA-IS-StandBy

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE NO. S.S. STANDBY SERVICE RATE APPLICABILITY Applicable to all customers who have alternative natural gas transmission or distribution facilities physically conformed to supply natural gas service to them and who are not full requirements Texas Gas Service Company customers. TERRITORY The Incorporated Areas of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. RATE During each monthly billing period, the charge shall be \$125 plus \$20 per Mcf/hr of connected rated capacity of natural gas consuming equipment. CONDITIONS 1. This charge shall cause the Company to maintain a connection with the customer including metering and regulation facilities. The Company will also arrange with suppliers for sufficient gas reserve assurance so that the customer can resume service upon reasonable notice to the Company. 2. Company engineers shall have the right and be afforded the opportunity by the customer to inspect the facilities to properly ascertain the gas-using capacity on the customer's premises. 3. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. Supersedes Same Rate Schedule Dated Meters Read On and After December 9, 1986 February 15, 2008

IRA-EPSvcA-IS-IRAAdj

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE IRA INTERIM RATE ADJUSTMENT 2007 A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the incorporated areas of El Paso, Anthony, Clint, Vinton, Socorro and Horizon City, Texas. Applicable rate schedules include 10, 20, 21, 25, 26, 27, 40, SS, C-1, T-1. B. PURPOSE Section 104.301, Subchapter G of the Texas Utility Code, effective on September 1, 2003, provides for an interim adjustment in a gas utility's monthly customer charge or initial block usage rate to recover the cost of changes in the utility's infrastructure investment and related expenses and revenues for providing gas utility service. The filing date of the utility's most recent rate case establishing rates for the area in which the interim rate adjustment will apply shall be no more than two years prior to the date the utility files its initial interim rate adjustment application for that area. The interim adjustment shall be recalculated on an annual basis, unless the utility files a written request and obtains approval from the regulatory authority to suspend the operation of the interim adjustment rate schedule for any year. This rate schedule establishes the interim adjustment provisions consistent with Section 104.301, Subchapter G of the Texas Utility Code.

C. BILLING The following Interim Rate Adjustments will be added to the applicable Rate Schedule Customer Charge for each monthly billing period: Rate Schedule Customer Class IRA

10	Residential			
\$ 0.30	20	Commercial		
	\$ 1.00	21	Commercial A/C	
		\$ 1.00	25	Public Authority
		\$ 3.21	26	
Public Authority A/C		\$ 3.21	27	
Municipal Water Pumping		\$ 18.63	40	
Industrial			\$ 12.51	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7683

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

SS	Stand By Service	\$
12.51	C-1 Cogeneration	
	\$ 60.50 T-1 Transportation	

All applicable fees and taxes will be added to the above rate.

D. COMPUTATION OF IRA RATE The amount the Company shall adjust its utility rates upward or downward under this rate schedule each calendar year is based on the difference between the value of the invested capital for the preceding calendar year and the value of the invested capital for the calendar year preceding that calendar year. The value of the invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment. Based on the difference between the values of the invested capital amounts as determined above, the Company may adjust only the following related components of its revenue requirement: return on investment, depreciation expense, ad valorem taxes, revenue related taxes and incremental federal income taxes. The factors for these components shall be the same as those established in the Company's most recent rate case for the service area in which this interim rate adjustment is to be implemented. The revenue requirement calculated pursuant to this rate schedule shall be allocated among the Company's customer classes for this service area in the same manner as the cost of service was allocated among customer classes in the Company's latest effective rates for this area.

E. FILING WITH THE REGULATORY AUTHORITY

1. The Company shall file either the initial interim adjustment or the annual interim adjustment with the regulatory authority at least 60 days before the proposed implementation date. During the 60-day period, the regulatory authority may act to suspend implementation of the adjustment.
2. The Company shall provide notice to customers by bill insert or direct mail not later than the 45th day after the date of filing the interim adjustment.
3. The Company shall file with the regulatory authority an annual report describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year. The annual report shall also state the cost, need, and customers benefited by the change in investment.
4. In addition, the Company shall file with the regulatory authority an annual earnings monitoring report demonstrating the Company's earnings during the preceding calendar year. Should the Company earn a return of more than 75 basis points above the return established in the latest effective rates implemented under this rate schedule, the Company shall file a statement stating the reasons why the rates are not unreasonable or in violation of the law.
5. After the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, any change in investment that has been included in an approved interim adjustment shall no longer be subject to subsequent review for reasonableness or prudence. All amounts collected under this rate schedule are subject to refund until the issuance of a final decision in the next rate case filing for this service area.
6. The Company shall file a rate case not later than the 180th day after the fifth anniversary date its initial interim rate adjustment for this service area became effective.
7. The provisions under Section 104.301, Subchapter G of the Texas Utility Code for this interim adjustment do not limit the power of the regulatory authority under Section 104.151.

Supersedes Rate Schedule ICR dated
Meters Read On and After September 3, 2004 (City of El Paso)
September 5, 2008 Rate Schedule IRA dated July 22, 2008 (Cities of Anthony, Clint, Vinton, Socorro & Horizon City)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 7683

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
ORD-EPSvcA-IS	TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
ORD-ELP	CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS rate case filed 08/31/07, the following cities approved the same Cost of Gas Clause, Economic Development Rate, General Charges and Provisions for Transport Service (T-GEN), Quality of Service Rules and Cost of Service rates for gas sales and standard transport. City approvals are as follows: City Ordinance or Resolution # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Anthony 370 01/08/08 02/15/2008 Clint -- 01/15/08 02/15/2008 El Paso -- 02/05/08 02/15/2008 Horizon City -- 01/08/08 02/15/2008 Socorro 356 01/17/08 02/15/2008 Vinton 08-1-15 01/15/08 02/15/2008 Initial February 15, 2008

RATE ADJUSTMENT PROVISIONS

None

CUSTOMERS

RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8883	N			
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N			
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N			
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N			
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			
8881	N			
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N			
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: ORD-IRA-EPSvcA & ORD-EPSvcA
 AMENDMENT(EXPLAIN):
 OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

TYPE OF SERVICE	SERVICE DESCRIPTION
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	SS_Standby Service_El Paso Svc Area - Incorp. El Paso, Anthony, Clint, Horizon City, Socorro & Vinton, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8599

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 03/14/1992 ORIGINAL CONTRACT DATE: 03/14/1992 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8599

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

NGV-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region
 RATE SCHEDULE NGV NGV COMPRESSION UNIT SERVICEAPPLICABILITYThis rate is applicable to customers who utilize a Company-owned CNG compression unit with a maximum refueling capacity of 3 CFM. This rate is for possession and usage of the compression unit only and does not pertain to gas consumed through the unit. Gas consumption shall be metered and billed under the customer's otherwise applicable service rate.TERRITORYCities of El Paso, Anthony, Clint, Vinton, Socorro, and Horizon City, Texas.COST OF SERVICE RATEDuring each monthly billing period:A customer charge per compression unit of \$50.00CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. Original Sheet Meters Read On and After March 14, 1992

ORD-EPSvcA-IS

TEXAS GAS SERVICE COMPANY El Paso Service Area - West Texas Region RATE SCHEDULE
 ORD-ELP CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8599

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	sales and standard transport customers. TERRITORY All customers in the incorporated area of El Paso, Anthony, Clint, Horizon City, Socorro and Vinton, Texas. DESCRIPTION Per TGS rate case filed 08/31/07, the following cities approved the same Cost of Gas Clause, Economic Development Rate, General Charges and Provisions for Transport Service (T-GEN), Quality of Service Rules and Cost of Service rates for gas sales and standard transport. City approvals are as follows: City Ordinance or Resolution # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Anthony 370 01/08/08 02/15/2008 Clint -- 01/15/08 02/15/2008 El Paso -- 02/05/08 02/15/2008 Horizon City -- 01/08/08 02/15/2008 Socorro 356 01/17/08 02/15/2008 Vinton 08-1-15 01/15/08 02/15/2008 Initial February 15, 2008

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>
8881	N			
<u>CUSTOMER NAME</u>	ANTHONY - INC (EL PASO SVC AREA)			
8882	N			
<u>CUSTOMER NAME</u>	CLINT - INC (EL PASO SVC AREA)			
8883	N			
<u>CUSTOMER NAME</u>	EL PASO - INC (EL PASO SVC AREA)			
8884	N			
<u>CUSTOMER NAME</u>	HORIZON CITY - INC (EL PASO SVC AREA)			
8885	N			
<u>CUSTOMER NAME</u>	SOCORRO - INC (EL PASO SVC AREA)			
8886	N			
<u>CUSTOMER NAME</u>	VINTON - INC (EL PASO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Sch ORD-EPSvcA-IS
 AMENDMENT(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was
 OTHER(EXPLAIN): superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	NGV_NGV Compression Unit Service_El Paso Svc Area - Incorpor. El Paso, Anthony, Clint, Horizon City, Socorro & Vinton, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8600

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/28/2006 ORIGINAL CONTRACT DATE: 04/28/2006 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION																				
ORD-SJC-IS	<p>TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region RATE SCHEDULE ORD-SJC CITY ORDINANCE LISTING</p> <p>APPLICABILITY Applicable to all gas sales and transportation customers.</p> <p>TERRITORY Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas.</p> <p>DESCRIPTION Per our rate case filed 7/10/07, the following cities approved changes to Rate Schedule 10, 20 and 40 for Gas Sales Customers and Rate Schedule T-4 and T-Gen for Transportation Customers. In addition, the cities approved a new Cost of Service Adjustment Clause, Rate Schedule 1-1.</p> <p>City approvals are as follows:</p> <table border="1"> <thead> <tr> <th>City Ordinance #</th> <th>Date Ordinance Passed</th> <th>Effective Date of Gas Sales Rate Schedules</th> <th>Effective Date of Transport Rate Schedules</th> </tr> </thead> <tbody> <tr> <td>Port Arthur 07-84</td> <td>10/23/2007</td> <td>10/30/2007</td> <td>10/30/2007</td> </tr> <tr> <td>Port Neches 2007-17</td> <td>11/01/2007</td> <td>10/30/2007</td> <td>10/30/2007</td> </tr> <tr> <td>Nederland 2007-14</td> <td>10/22/2007</td> <td>10/30/2007</td> <td>10/30/2007</td> </tr> <tr> <td>Groves 2007-20</td> <td>10/29/2007</td> <td>10/30/2007</td> <td>10/30/2007</td> </tr> </tbody> </table> <p>Supersedes Same Rate Schedule dated Meters Read On or After April 28, 2006 October 30, 2007</p>	City Ordinance #	Date Ordinance Passed	Effective Date of Gas Sales Rate Schedules	Effective Date of Transport Rate Schedules	Port Arthur 07-84	10/23/2007	10/30/2007	10/30/2007	Port Neches 2007-17	11/01/2007	10/30/2007	10/30/2007	Nederland 2007-14	10/22/2007	10/30/2007	10/30/2007	Groves 2007-20	10/29/2007	10/30/2007	10/30/2007
City Ordinance #	Date Ordinance Passed	Effective Date of Gas Sales Rate Schedules	Effective Date of Transport Rate Schedules																		
Port Arthur 07-84	10/23/2007	10/30/2007	10/30/2007																		
Port Neches 2007-17	11/01/2007	10/30/2007	10/30/2007																		
Nederland 2007-14	10/22/2007	10/30/2007	10/30/2007																		
Groves 2007-20	10/29/2007	10/30/2007	10/30/2007																		
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service</p>																				

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8600

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8600

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCAS-Rider-SJ0th-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE RCAS-RIDER RATE CASE APPEAL SURCHARGE A. APPLICABILITY The Rate Case Appeal Surcharge (RCAS) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 9465, Appeal of Texas Gas Service Company From the Action From the Cities of Port Neches, Nederland, Groves, TX. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Nederland, Groves and Port Neches, Texas: 10, 20, 40, C-1, CNG-1 and T-4. B. RCAS RATE All Ccf during each billing period: \$0.01066 per Ccf This rate will be in effect until all approved revenues are recovered under the applicable rate schedules. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchises fees) related to above. D. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Initial Rate Schedule
Meters Read On and After July 31, 2008

RCE-Rider-SJC-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE RCE-RIDER RATE CASE EXPENSE SURCHARGE A. APPLICABILITY The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinance No's 07-84 (Port Arthur), 2007-14 (Nederland), 2007-17 (Port Neches) and 2007-20 (Groves) and the referenced October 12, 2007 letter from P& L Concepts, Inc. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Port Neches and Groves, Texas: 10, 20, 40, C-1, CNG-1, and T-4. B. RCE RATE All Ccf during each billing period: \$0.0034 per Ccf This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchises fees) related to above. D. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Initial Rate Schedule
Meters Read On and After July 31, 2008

RCER-Rider SJ0th-IS

TEXAS GAS SERVICE COMPANY
South Jefferson County Service Area - Gulf Coast Region

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8600

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

RATE SCHEDULE RCER-RIDER

RATE CASE EXPENSE AND REFUND RATE

A.

APPLICABILITY

The Rate Case Expense and Refund (RCER) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 9465, Appeal of Texas Gas Service Company From the Action From the Cities of Port Neches, Nederland, Groves, TX. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Nederland, Groves and Port Neches, Texas: 10, 20, 40, C-1, CNG-1, T-4 and T-5.

B.

RCER RATE

All Ccf during each billing period:

\$0.0267 per Ccf This rate will be in effect until all approved and expended rate case expenses (net of refunds to customers) are recovered under the applicable rate schedules.

C.

OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule

Meters Read On and After
 September 29, 2004

1-1-INC-SJC-IS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-1-INC South Jefferson County Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its South Jefferson County Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8600

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the appropriate regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority. (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8600

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas calculation. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any. This report shall be filed concurrently with the Cost of Gas Statement for October. Supersedes Same Sheet Dated
Meters Read On and After 8/27/04 (Cities of Nederland, Groves & Port Neches)
April 28, 2006 & 12/23/02 (City of Port Arthur)

C-1-SJC-IS-Cogen

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area RATE SCHEDULE C-1
ELECTRICAL COGENERATION AND ENERGY CONSERVATION SERVICE RATE APPLICABILITY
Service under this rate schedule is available to any customer who enters into a

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8600

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

contract with the Company to use natural gas for the purpose of cogeneration. Cogeneration is defined as the use of thermal energy to produce electricity with recapture of by-product heat in the form of steam, exhaust heat, etc. for industrial process use, space heating, food processing or other purposes.

TERRITORY This rate shall be available throughout the Company's Jefferson County Service Area including Port Arthur, Port Neches, Nederland, and Groves. COST OF SERVICE RATE During each monthly billing period: Nov. - Apr. May - Oct.

	Winter	Summer	A Customer Charge of \$300.00 per meter	
plus - For the first	5,000 Ccf/Month -	\$.1162	\$.0930	For the next
15,000 Ccf/Month -	\$.1107	\$.0886		For the next
.1052	\$.0842	All Over	50,000 Ccf/Month -	\$.0997
				\$.0798

COST OF GAS In addition to the cost of service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule No. 1-1 and 1-1-INC. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Gas taken under this rate shall be used exclusively for the purpose of cogeneration as defined in the Applicability section of this rate schedule and not for other purposes. The gas taken under this rate will be separately metered. 2. This rate will not be available for standby use. 3. For the purpose of this rate, the annual load factor must be 60 percent or greater. The annual load factor is defined as the customer's total annual consumption divided by the customer's peak month consumption times twelve. If less than a 60 percent load factor occurs for a twelve month period, the rate charged will revert back to the rate that the customer would have otherwise been served under. A continuous twelve month period of 60 percent or better load factor must precede a return to the cogeneration rate. 4. To qualify for the summer discounts, the customer's peak summer month's load must be at least 75% of the customer's peak winter month's load. Failure to meet this requirement will result in an adjustment to the customer's October bill equal to the difference between the winter and summer rates times that years total May through September consumption by that customer. 5. The curtailment priority of any customer served under this rate schedule shall be the same as the curtailment priority which would pertain if gas were used directly to provide energy for uses as defined and listed in paragraph 14.2 of the Company's Texas Rules of Service. 6. Subject in all respects to applicable laws, rules and regulations from time to time in effect. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 (City of Port Arthur only) April 28, 2006 August 27, 2004 (Cities of Nederland, Groves & Port Neches)

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8600

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8905	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8600

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8904	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: GUD 9465 CITY ORDINANCE NO: See Rate Sch ORD-SJC-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	C-1_Electric Cogeneration & Energy Conservation Rate_South Jef Cty Svc Area - Incorp. Port Arthur, Groves, Nederland & Port Neches, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8601

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/28/2006 ORIGINAL CONTRACT DATE: 04/28/2006 RECEIVED DATE: 04/08/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>																				
ORD-SJC-IS	<p>TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region RATE SCHEDULE ORD-SJC CITY ORDINANCE LISTING</p> <p>APPLICABILITY Applicable to all gas sales and transportation customers.</p> <p>TERRITORY Incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Groves and Port Neches, Texas.</p> <p>DESCRIPTION Per our rate case filed 7/10/07, the following cities approved changes to Rate Schedule 10, 20 and 40 for Gas Sales Customers and Rate Schedule T-4 and T-Gen for Transportation Customers. In addition, the cities approved a new Cost of Service Adjustment Clause, Rate Schedule 1-1.</p> <p>City approvals are as follows: <table border="0"> <tr> <td>City Ordinance #</td> <td>Date Ordinance Passed</td> <td>Effective Date of Gas Sales Rate Schedules</td> <td>Effective Date of Transport Rate Schedules</td> </tr> <tr> <td>Port Arthur 07-84</td> <td>10/23/2007</td> <td>10/30/2007</td> <td>10/30/2007</td> </tr> <tr> <td>Port Neches 2007-17</td> <td>11/01/2007</td> <td>10/30/2007</td> <td>10/30/2007</td> </tr> <tr> <td>Nederland 2007-14</td> <td>10/22/2007</td> <td>10/30/2007</td> <td>10/30/2007</td> </tr> <tr> <td>Groves 2007-20</td> <td>10/29/2007</td> <td>10/30/2007</td> <td>10/30/2007</td> </tr> </table> <p>Supersedes Same Rate Schedule dated Meters Read On or After April 28, 2006 October 30, 2007</p> </p>	City Ordinance #	Date Ordinance Passed	Effective Date of Gas Sales Rate Schedules	Effective Date of Transport Rate Schedules	Port Arthur 07-84	10/23/2007	10/30/2007	10/30/2007	Port Neches 2007-17	11/01/2007	10/30/2007	10/30/2007	Nederland 2007-14	10/22/2007	10/30/2007	10/30/2007	Groves 2007-20	10/29/2007	10/30/2007	10/30/2007
City Ordinance #	Date Ordinance Passed	Effective Date of Gas Sales Rate Schedules	Effective Date of Transport Rate Schedules																		
Port Arthur 07-84	10/23/2007	10/30/2007	10/30/2007																		
Port Neches 2007-17	11/01/2007	10/30/2007	10/30/2007																		
Nederland 2007-14	10/22/2007	10/30/2007	10/30/2007																		
Groves 2007-20	10/29/2007	10/30/2007	10/30/2007																		
1-1-INC-SJC-IS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-1-INC South Jefferson County Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its South Jefferson County Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from</p>																				

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8601

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the appropriate regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority. (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined E.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8601

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

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

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

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.
5. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any. This report shall be filed concurrently with the Cost of Gas Statement for October. Supersedes Same Sheet Dated

Meters Read On and After 8/27/04 (Cities of Nederland, Groves & Port Neches)
April 28, 2006 & 12/23/02 (City of Port Arthur)

CNG-1-SJC-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area RATE SCHEDULE CNG-1 COMPRESSED NATURAL GAS SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer for usage where customer purchases natural gas which will be compressed and used as a motor fuel. Service will be separately metered. TERRITORY Incorporated areas served in Jefferson County, Texas

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8601

RATE SCHEDULE

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DESCRIPTION

including Port Arthur, Nederland, Groves and Port Neches, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$10.00 plus - All Ccf per monthly billing period @ \$.0850 per Ccf COST OF GAS In addition to the cost of service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule No. 1-1-INC. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. 3. The Company's Budget Billing Plan is not available to customers taking this service. Supersedes Same Sheet Dated Meters Read On and After August 27, 2004 (Cities of Nederland, Groves & Port Neches) April 28, 2006 December 23, 2002 (City of Port Arthur)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8601

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DESCRIPTION

defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCAS-Rider-SJ0th-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE RCAS-RIDER RATE CASE APPEAL SURCHARGE A. APPLICABILITY The
Rate Case Appeal Surcharge (RCAS) rate as set forth in Section (B) below is
pursuant to Gas Utilities Docket No. 9465, Appeal of Texas Gas Service Company From

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8601

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

the Action From the Cities of Port Neches, Nederland, Groves, TX. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Nederland, Groves and Port Neches, Texas: 10, 20, 40, C-1, CNG-1 and T-4. B. RCAS RATE All Ccf during each billing period: \$0.01066 per Ccf This rate will be in effect until all approved revenues are recovered under the applicable rate schedules. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchises fees) related to above. D. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Initial Rate Schedule
Meters Read On and After July 31, 2008

RCE-Rider-SJC-IS

TEXAS GAS SERVICE COMPANY South Jefferson County Service Area - Gulf Coast Region
RATE SCHEDULE RCE-RIDER RATE CASE EXPENSE SURCHARGE A. APPLICABILITY The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinance No's 07-84 (Port Arthur), 2007-14 (Nederland), 2007-17 (Port Neches) and 2007-20 (Groves) and the referenced October 12, 2007 letter from P & L Concepts, Inc. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Port Arthur, Nederland, Port Neches and Groves, Texas: 10, 20, 40, C-1, CNG-1, and T-4. B. RCE RATE All Ccf during each billing period: \$0.0034 per Ccf This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchises fees) related to above. D. CONDITIONS Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Initial Rate Schedule
Meters Read On and After July 31, 2008

RCER-Rider SJ0th-IS

TEXAS GAS SERVICE COMPANY

South Jefferson County Service Area - Gulf Coast Region

RATE SCHEDULE RCER-RIDER

RATE CASE EXPENSE AND REFUND RATE

A.

APPLICABILITY
The Rate Case Expense and Refund (RCER) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 9465, Appeal of Texas Gas Service Company From the Action From the Cities of Port Neches, Nederland, Groves, TX. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated areas served in Jefferson County, Texas including Nederland, Groves and Port Neches, Texas: 10, 20, 40, C-1, CNG-1, T-4 and T-5.

B.

RCER RATE

All Ccf during each billing period:

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8601

RATE SCHEDULESCHEDULE IDDESCRIPTION

\$0.0267 per Ccf This rate will be in effect until all approved and expended rate case expenses (net of refunds to customers) are recovered under the applicable rate schedules.

C.

OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule
Meters Read On and After
September 29, 2004

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8601

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8905	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4945	03/31/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4133	04/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4389	06/01/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4389	06/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 8601

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8904	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.4151	07/30/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			
8903	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	GROVES - INC (SO JEFF COUNTY SVC AREA)			
8904	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	NEDERLAND - INC (SO JEFF COUNTY SVC AREA)			
8905	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT ARTHUR - INC (SO JEFF COUNTY SVC AREA)			
8906	N	Ccf	\$.3321	08/28/2009
<u>CUSTOMER NAME</u>	PORT NECHES - INC (SO JEFF COUNTY SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: GUD 9465 CITY ORDINANCE NO: See Rate Sch ORD-SJC-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	CNG-1_Compressed Natural Gas Rate_South Jef Cty Svc Area - Incorp. Port Arthur, Groves, Nederland & Port Neches, TX

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9148

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/27/2000 ORIGINAL CONTRACT DATE: 11/27/2000 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-JacksSvcA-OS-COG		TEXAS GAS SERVICE
	COMPANY	
		Jacksboro Service Area -
	North Texas Region	
		RATE
	SCHEDULE NO. 1	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Jacksboro Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component and related fees.2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.3. Cost of Purchased Gas - The cost for gas purchased by the Company from its suppliers or the weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 9148

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extracting, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority

.7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this cost of gas clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9148

RATE SCHEDULESCHEDULE IDDESCRIPTION

Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component; and

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TARIFF CODE: DS RRC TARIFF NO: 9148

RATE SCHEDULE

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DESCRIPTION

(e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated

Meters Read On and After

November 27, 2000 (Environs)

August 24, 2001

4Z-JcksJer-OS-PubA

TEXAS GAS SERVICE COMPANY Jacksboro Service Area - North Texas Region RATE SCHEDULE 4Z PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. TERRITORY All customers in the unincorporated area of Jacksboro, Texas including Jermyrn and environs. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$30.00 All Ccf at 0.1791 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1. Taxes: Plus applicable taxes related to above. Applicable taxes for environs customers do not include city franchise fees or gross receipt taxes. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Sheet Dated Meters Read On and After January 28, 1991 November 27, 2000

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9148

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9148

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
9003	N	Ccf	\$.5672	03/31/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (JACKSBORO SVC AREA)			
9004	N	Ccf	\$.5672	03/31/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (JACKSBORO SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9166-9167 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9148

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 4Z_Public Authority Sales_Jacksboro Svc Area - Environs of Jacksboro, TX (includes Jermyn)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9193

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 01/14/1993 ORIGINAL CONTRACT DATE: 01/19/1993 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9193

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-Borg-OS-COG

COMPANY

TEXAS GAS SERVICE

Borger Service Area -

Panhandle Region

RATE SCHEDULE

1

COST OF GAS

CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9193

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Borger, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost per Ccf for gas purchased by the Company from its supplier or the weighted average cost per Ccf for gas purchased by the Company from all sources where applicable.

2. Purchase Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/1(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9193

RATE SCHEDULESCHEDULE IDDESCRIPTION

over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas (as defined in Section B, Number 4) incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%) per annum.

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9193

RATE SCHEDULESCHEDULE IDDESCRIPTION

during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the Borger area, Texas Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.

2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9193

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated

Meters Read On and After

August 29, 1990

August 24, 2001

1Z-Borg-OS-Res

COMPANY

TEXAS GAS SERVICE

Borger Service Area -

Panhandle Region

RATE SCHEDULE 1Z

RESIDENTIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer for a single family residential unit when served through a single meter.

TERRITORY

All of the Company's unincorporated service area in the vicinity of Borger, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$8.00 plus - The First 10 Ccf .1490 per Ccf

The Next 140 Ccf .1190 per Ccf

The Next 150 Ccf .0990 per Ccf

All Over 300 Ccf .0729 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.

CONDITIONS

1. Subject to applicable laws and orders, and the Company's rules and regulation on file with the regulatory authority.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9193

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	Supersedes Same Rate Schedule Dated Meters Read On and After September 28, 1990 January 14, 1993

RATE ADJUSTMENT PROVISIONS
None

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
9017	N	Ccf	\$.4408	03/31/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4230	04/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4414	06/01/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4807	06/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4885	07/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.3059	08/28/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: 8302 CITY ORDINANCE NO:
AMENDMENT (EXPLAIN):
OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1Z_Residential Sales_Borger Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9194

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 01/14/1993 ORIGINAL CONTRACT DATE: 01/19/1993 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Borg-OS-COG	TEXAS GAS SERVICE COMPANY Panhandle Region 1 RATE SCHEDULE COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Borger, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Purchased Gas - The cost per Ccf for gas purchased by the Company from its supplier or the weighted average cost per Ccf for gas purchased by the Company from all sources where applicable.	
2. Purchase Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/1(1 - .05) unless expressly authorized by the applicable regulatory authority.	
3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9194

RATE SCHEDULESCHEDULE IDDESCRIPTION

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas (as defined in Section B, Number 4) incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9194

RATE SCHEDULESCHEDULE IDDESCRIPTION

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%) per annum.

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the Borger area, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9194

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated

Meters Read On and After

August 29, 1990

August 24, 2001

2Z-Borg-OS-Com

TEXAS GAS SERVICE COMPANY Borger Service Area - Panhandle Region
 RATE SCHEDULE 2Z COMMERCIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is not provided for under any other rate schedule. TERRITORY All of the Company's unincorporated service area in the vicinity of Borger, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$11.50 plus -
 The First 10 Ccf .2626 per Ccf The Next 290 Ccf .1900 per Ccf The Next 1700 Ccf .1350 per Ccf All Over 2000 Ccf .1054 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
 Supersedes Same Rate Schedule Dated Meters Read On and After September 28, 1990
 January 14, 1993

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9194

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter</p>

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9194

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9194

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
9017	N	Ccf	\$.4408	03/31/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4230	04/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4414	06/01/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4807	06/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4885	07/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.3059	08/28/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8302 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2Z_Commercial Sales_Borger Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9195

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 01/14/1993 ORIGINAL CONTRACT DATE: 01/19/1993 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Borg-OS-COG	TEXAS GAS SERVICE COMPANY Panhandle Region 1 RATE SCHEDULE COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Borger, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Purchased Gas - The cost per Ccf for gas purchased by the Company from its supplier or the weighted average cost per Ccf for gas purchased by the Company from all sources where applicable.	
2. Purchase Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/1(1 - .05) unless expressly authorized by the applicable regulatory authority.	
3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9195

RATE SCHEDULESCHEDULE IDDESCRIPTION

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas (as defined in Section B, Number 4) incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9195

RATE SCHEDULESCHEDULE IDDESCRIPTION

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%) per annum.

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the Borger area, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9195

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated
Meters Read On and After
August 29, 1990

August 24, 2001

3Z-Borg-OS-Ind

TEXAS GAS SERVICE COMPANY Borger Service Area - Panhandle Region
RATE SCHEDULE 3Z INDUSTRIAL SERVICE RATE APPLICABILITY Applicable to industrial consumers and to customers not otherwise specifically provided for under any other rate schedule. TERRITORY All of the Company's unincorporated service area in the vicinity of Borger, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus -The First 10 Ccf .2556 per Ccf The Next 290 Ccf .1950 per Ccf The Next 1700 Ccf .1500 per Ccf All Over 2000 Ccf .1300 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Schedule Dated Meters Read On and After September 28, 1990 January 14, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9195

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)
the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each
operator of a natural gas distribution system that is a utility subject to the
jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
shall file a generally applicable tariff for its surcharge in conformance with the
requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
Amounts recovered from customers under this subsection by an investor-owned natural
gas distribution system or a cooperatively owned natural gas distribution system
shall not be included in the revenue or gross receipts of the system for the
purpose of calculating municipal franchise fees or any tax imposed under Subchapter
B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9195

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9195

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
9017	N	Ccf	\$.4408	03/31/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4230	04/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4414	06/01/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4807	06/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4885	07/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.3059	08/28/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8302 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3Z_Industrial Sales_Borger Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9196

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 01/14/1993 ORIGINAL CONTRACT DATE: 01/19/1993 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Borg-OS-COG	TEXAS GAS SERVICE COMPANY Panhandle Region 1 RATE SCHEDULE COST OF GAS CLAUSE
A. APPLICABILITY	
<p>This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Borger, Texas Service Area.</p>	
B. DEFINITIONS	
<p>1. Cost of Purchased Gas - The cost per Ccf for gas purchased by the Company from its supplier or the weighted average cost per Ccf for gas purchased by the Company from all sources where applicable.</p>	
<p>2. Purchase Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/1(1 - .05) unless expressly authorized by the applicable regulatory authority.</p>	
<p>3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p>	
<p>4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.</p>	
<p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:</p>	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9196

RATE SCHEDULESCHEDULE IDDESCRIPTION

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas (as defined in Section B, Number 4) incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9196

RATE SCHEDULESCHEDULE IDDESCRIPTION

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%) per annum.

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the Borger area, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9196

RATE SCHEDULE

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DESCRIPTION

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated

Meters Read On and After

August 29, 1990

August 24, 2001

4H-Borg-OS-SchMuni

TEXAS GAS SERVICE COMPANY Borger Service Area - Panhandle Region
 RATE SCHEDULE 4H SCHOOL AND MUNICIPAL SERVICE RATE APPLICABILITY Applicable to all public and parochial schools, to all facilities operated by Governmental Agencies, and to any customer not specifically provided for in other rate schedules. TERRITORY All of the Company's unincorporated service area in the vicinity of Borger, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$10.00 plus - The First 10 Ccf .2486 per Ccf The Next 290 Ccf .1850 per Ccf The Next 1700 Ccf .1420 per Ccf All Over 2000 Ccf .1000 per Ccf
 Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Schedule Dated Meters Read On and After September 28, 1990 January 14, 1993

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9196

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter</p>

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9196

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9196

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
9017	N	Ccf	\$.4408	03/31/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4230	04/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4414	06/01/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4807	06/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4885	07/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.3059	08/28/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8302 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4H_School and Municipal Sales_Borger Svc Area - Environs

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9197

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 01/14/1993 ORIGINAL CONTRACT DATE: 01/19/1993 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Borg-OS-COG	TEXAS GAS SERVICE COMPANY Panhandle Region 1 RATE SCHEDULE COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Borger, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Purchased Gas - The cost per Ccf for gas purchased by the Company from its supplier or the weighted average cost per Ccf for gas purchased by the Company from all sources where applicable.	
2. Purchase Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/1(1 - .05) unless expressly authorized by the applicable regulatory authority.	
3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9197

RATE SCHEDULESCHEDULE IDDESCRIPTION

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas (as defined in Section B, Number 4) incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9197

RATE SCHEDULESCHEDULE IDDESCRIPTION

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%) per annum.

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the Borger area, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9197

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated
Meters Read On and After
August 29, 1990

August 24, 2001

4Z-Borg-OS-PubA

TEXAS GAS SERVICE COMPANY Borger Service Area - Panhandle Region
RATE SCHEDULE 4Z PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to public authority customers not eligible for rate schedule 4H. TERRITORY All of the Company's unincorporated service area in the vicinity of Borger, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$10.00 plus - The First 10 Ccf .2458 per Ccf The Next 290 Ccf .1900 per Ccf The Next 1700 Ccf .1320 per Ccf All Over 2000 Ccf .1000 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Schedule Dated Meters Read On and After September 28, 1990 January 14, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9197

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
 Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
 establishes a pipeline safety inspection fee, to be assessed annually against
 operators of natural gas distribution pipelines and pipeline facilities and natural
 gas master metered pipelines and pipeline facilities subject to the Commission's
 pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
 amount of revenue estimated to be collected under this section does not exceed the
 amount the Commission estimates to be necessary to recover the costs of
 administering the pipeline safety program under Texas Utilities Code, Chapter 121,
 excluding costs that are fully funded by federal sources, for any fiscal year.
 (b) The Commission hereby assesses each operator of a natural gas distribution
 system an annual pipeline safety program fee of \$0.50 for each service (service
 line) reported to be in service at the end of each calendar year by each system
 operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
 of each year. (1) Each operator of a natural gas distribution system shall
 calculate the total amount of the annual pipeline safety program fee to be paid to
 the Commission by multiplying the number of services listed in Part B, Section 3,
 of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
 due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
 a natural gas distribution system shall remit to the Commission on March 15 of each
 year, the amount calculated under paragraph (1) of this subsection. (3) Each
 operator of a natural gas distribution system shall recover, by a surcharge to its
 existing rates, the amount the operator paid to the Commission under paragraph (1)
 of this subsection. The surcharge: (A) shall be a flat rate, one-time
 surcharge; (B) shall not be billed before the operator remits the
 pipeline safety program fee to the Commission; (C) shall be applied in
 the billing cycle or cycles immediately following the date on which the operator
 paid the Commission; (D) shall not exceed \$0.50 per service or service
 line (For calendar year 2009 the annual pipeline safety program fee, effective with
 meters read on and after March 31, 2009, Texas Gas Service Company will bill all
 customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
 line) ; and (E) shall not be billed to a state agency, as that term is
 defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
 last billing cycle in which the pipeline safety program fee surcharge is billed to
 customers, each operator of a natural gas distribution system shall file with the
 Commission's Gas Services Division and the Safety Division a report showing:
 (A) the pipeline safety program fee amount paid to the Commission; (B)
 the unit rate and total amount of the surcharge billed to each customer;
 (C) the date or dates on which the surcharge was billed to customers; and
 (D) the total amount collected from customers from the surcharge. (5) Each
 operator of a natural gas distribution system that is a utility subject to the
 jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
 shall file a generally applicable tariff for its surcharge in conformance with the
 requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
 Amounts recovered from customers under this subsection by an investor-owned natural
 gas distribution system or a cooperatively owned natural gas distribution system
 shall not be included in the revenue or gross receipts of the system for the
 purpose of calculating municipal franchise fees or any tax imposed under Subchapter
 B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject
 to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3,

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9197

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9197

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
9017	N	Ccf	\$.4408	03/31/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4230	04/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4414	06/01/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4807	06/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.4885	07/30/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			
9017	N	Ccf	\$.3059	08/28/2009
<u>CUSTOMER NAME</u>	BORGER - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8302 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4Z_Public Authority Sales_Borger Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9224

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/31/2006 ORIGINAL CONTRACT DATE: 07/31/2006 RECEIVED DATE: 08/13/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION																																																																																																																																																											
1B-RGV-IS-FrGrTx	TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE 1B Adjustment Franchise Fee and State Occupancy Tax Factors for Applicable General Service Rates																																																																																																																																																											
	<table border="1"> <thead> <tr> <th>Tax Rate</th> <th>State</th> <th>City</th> <th>Occupancy Tax</th> <th>Franchise Fee</th> </tr> <tr> <th>Billing Tax</th> <th>City or Town</th> <th>Factor 1/</th> <th>(a)</th> <th>(b)</th> </tr> <tr> <th>(c)</th> <th>(d)</th> <th>Alamo</th> <th>1.997%</th> <th></th> </tr> </thead> <tbody> <tr> <td>5.000%</td> <td>7.523%</td> <td>Alton</td> <td>1.070</td> <td>2.000</td> </tr> <tr> <td>3.167</td> <td></td> <td>Brownsville</td> <td>1.997</td> <td>4.000 6.380</td> </tr> <tr> <td></td> <td></td> <td>Combes</td> <td>1.070</td> <td>2.000 3.167 Donna</td> </tr> <tr> <td></td> <td></td> <td>1.997</td> <td>5.000 7.523</td> <td>Edcouch 1.070</td> </tr> <tr> <td></td> <td></td> <td>3.000 4.242</td> <td>Edinburg</td> <td>1.997</td> </tr> <tr> <td>5.000</td> <td>7.523</td> <td>Elsa</td> <td>1.070</td> <td>5.000</td> </tr> <tr> <td>6.462</td> <td></td> <td>Harlingen</td> <td>1.997</td> <td>5.000 7.523 Hidalgo</td> </tr> <tr> <td></td> <td></td> <td>1.070</td> <td>5.000 6.462</td> <td>La Feria</td> </tr> <tr> <td>1.070</td> <td></td> <td>2.000 3.167</td> <td>Laguna Vista</td> <td></td> </tr> <tr> <td>0.581</td> <td></td> <td>2.000 2.649</td> <td>La Joya</td> <td>1.070</td> </tr> <tr> <td></td> <td></td> <td>5.000 6.462</td> <td>La Villa</td> <td>0.581</td> </tr> <tr> <td>5.000</td> <td>5.911</td> <td>Los Fresnos</td> <td>1.070</td> <td>2.000</td> </tr> <tr> <td>3.167</td> <td></td> <td>Lyford</td> <td>0.581</td> <td>5.000 5.911 McAllen</td> </tr> <tr> <td></td> <td></td> <td>1.997</td> <td>5.000 7.523</td> <td>Mercedes</td> </tr> <tr> <td>1.997</td> <td></td> <td>4.000 6.380</td> <td>Palm Valley</td> <td>0.581</td> </tr> <tr> <td>2.000</td> <td>2.649</td> <td>Palmhurst</td> <td></td> <td>1.070</td> </tr> <tr> <td></td> <td></td> <td>-</td> <td></td> <td>1.082 Palmview</td> </tr> <tr> <td></td> <td></td> <td>1.070</td> <td>2.000 3.167</td> <td>Penitas 0.581</td> </tr> <tr> <td>5.000</td> <td>5.911</td> <td>Pharr</td> <td>1.997</td> <td>5.000</td> </tr> <tr> <td>7.523</td> <td></td> <td>Port Isabel</td> <td>1.070</td> <td>5.000 6.462</td> </tr> <tr> <td></td> <td></td> <td>Primera</td> <td>1.070</td> <td>2.000 3.167 Progreso</td> </tr> <tr> <td>1.070</td> <td>4.000 5.341</td> <td>Rancho Viejo</td> <td></td> <td>0.581</td> </tr> <tr> <td></td> <td>2.000 2.649</td> <td>Raymondville</td> <td>1.070</td> <td></td> </tr> <tr> <td>4.000</td> <td>5.341</td> <td>Rio Hondo</td> <td>0.581</td> <td>2.000 2.649</td> </tr> <tr> <td></td> <td></td> <td>San Benito</td> <td>1.997</td> <td>5.000 7.523 San Juan</td> </tr> <tr> <td></td> <td></td> <td>1.997</td> <td>5.000 7.523</td> <td>Santa Rosa</td> </tr> <tr> <td>1.070</td> <td></td> <td>3.000 4.242</td> <td>Weslaco</td> <td>1.997</td> </tr> <tr> <td></td> <td></td> <td>5.000 7.523</td> <td>1/ The tax rates shown in columns (b) and (c)</td> <td></td> </tr> </tbody> </table>	Tax Rate	State	City	Occupancy Tax	Franchise Fee	Billing Tax	City or Town	Factor 1/	(a)	(b)	(c)	(d)	Alamo	1.997%		5.000%	7.523%	Alton	1.070	2.000	3.167		Brownsville	1.997	4.000 6.380			Combes	1.070	2.000 3.167 Donna			1.997	5.000 7.523	Edcouch 1.070			3.000 4.242	Edinburg	1.997	5.000	7.523	Elsa	1.070	5.000	6.462		Harlingen	1.997	5.000 7.523 Hidalgo			1.070	5.000 6.462	La Feria	1.070		2.000 3.167	Laguna Vista		0.581		2.000 2.649	La Joya	1.070			5.000 6.462	La Villa	0.581	5.000	5.911	Los Fresnos	1.070	2.000	3.167		Lyford	0.581	5.000 5.911 McAllen			1.997	5.000 7.523	Mercedes	1.997		4.000 6.380	Palm Valley	0.581	2.000	2.649	Palmhurst		1.070			-		1.082 Palmview			1.070	2.000 3.167	Penitas 0.581	5.000	5.911	Pharr	1.997	5.000	7.523		Port Isabel	1.070	5.000 6.462			Primera	1.070	2.000 3.167 Progreso	1.070	4.000 5.341	Rancho Viejo		0.581		2.000 2.649	Raymondville	1.070		4.000	5.341	Rio Hondo	0.581	2.000 2.649			San Benito	1.997	5.000 7.523 San Juan			1.997	5.000 7.523	Santa Rosa	1.070		3.000 4.242	Weslaco	1.997			5.000 7.523	1/ The tax rates shown in columns (b) and (c)	
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	above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the PGA adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. For example, for the City of Brownsville the 6.380% Billing Tax Factor added to a basic bill of \$100.00 would equal \$106.38. Bill Including Tax																																																																																																																																																											

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9224

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Adjustment \$106.38 Less: State Occupancy Tax @1.997% 2.12 City
Franchise Fee @4.000% 4.26 Bill Before Tax Adjustment \$100.00
Supersedes Same Rate Sheet Dated Meters Read On and After March 31, 2009
July 30, 2009

IRA-RGV-IS-IRAadj

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE IRA
INTERIM RATE ADJUSTMENT TARIFF 2006 and 2007 A. APPLICABILITY This Interim Rate
Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service
Company (Company) currently in force in the incorporated areas of Rio Grande Valley
Service Area. Applicable rate schedules include 10, 20, 30, 40, T-1 and T-2. B.
BILLING The following Interim Rate Adjustments (IRA-2006 and IRA-2007) will be
added to the applicable Rate Schedule Customer Charge for each monthly billing
period: Rate Schedule Customer Class
IRA-2006 IRA-2007 10 Residential
\$ 0.58 \$ 0.36
20 Commercial and Church \$ 3.92
\$ 2.33 30 Industrial
\$10.95 \$ 5.90 40
Public Authority \$ 3.53
\$ 2.18 T-1 and T-2 Transportation
\$47.35 \$30.47 All applicable fees and taxes will be added
to the above rate. Supersedes Same Sheet Dated
Meters Read On and After December 29, 2008 (IRA-2007 Effective Only
for February 12, 2009 Cities of La Villa, Palm Valley, Progreso
and Santa Rosa)

ORD-IRA-RGV-IS

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE ORD-IRA
CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to
all gas sales and standard transport customers. TERRITORY All customers in the
incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg,
Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos,
Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas,
Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San
Benito, San Juan, Santa Rosa and Weslaco, Texas. DESCRIPTION Per TGS Interim Rate
Adjustment filed 6/26/07, the following cities approved the same Interim Rate
Adjustment rates for both gas sales and standard transport. City approvals are as
follows: IRA - 2006 City Ordinance # Date Ordinance Passed Effective Date IRA
Rate Schedules La Villa* 08-08-07 08/08/07 10/14/07 Palm Valley* No Action Via
Operation of Law 8/30/07 10/14/07 Palmhurst* 08-21-07-Texas Gas Service 08/21/07
10/14/07 Rio Hondo* No Action Via Operation of Law 8/30/07 10/14/07 Alamo, Alton,
Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria,
La Joya, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palmview,
Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, San
Benito, San Juan, Santa Rosa and Weslaco Settlement Agreement 10/02/07 10/02/07
10/14/07 *Company agreed to adjustments relating to the 2006 Interim Rate
Adjustment on 10/2/2007. The Company chose to implement revised Rate Schedule IRA
in the Cities of La Villa, Palm Valley, Palmhurst and Rio Hondo effective October
14, 2007. Filed revised IRA Rate Schedule with these cities October 11, 2007.
These Cities were previously on Rate Schedule IRA dated Meters Read On and After
August 30, 2007. Per TGS Interim Rate Adjustment filed 10/30/2008, the following
cities approved the same Interim Rate Adjustment rates for both gas sales and
standard transport. City approvals are as follows: IRA - 2007 City Ordinance #

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9224

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Date Ordinance Passed Effective Date IRA Rate Schedules La Villa** No Action Via Operation of Law 12/29/08 2/12/09 Palm Valley** No Action Via Operation of Law 12/29/08 2/12/09 Progreso** No Action Via Operation of Law 12/29/08 2/12/09 Santa Rosa** No Action Via Operation of Law 12/29/08 2/12/09 Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, and Weslaco Settlement Agreement 2/2/09 2/12/09 **Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 2/2/2009. The Company chose to implement revised Rate Schedule IRA in the Cities of La Villa, Palm Valley, Progreso and Santa Rosa effective February 12, 2009. Filed revised IRA Rate Schedule with these cities February 12, 2009. These Cities were previously on Rate Schedule IRA dated Meters Read On and After December 29, 2008. Initial (Revised February 12, 2009)

ORD-RGV-IS

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area
 RATE SCHEDULE ORD-RGV CITY ORDINANCE LISTING
 APPLICABILITY Applicable to all gas sales and standard transport customers.
 TERRITORY All customers in the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa and Weslaco, Texas.
 DESCRIPTION Per TGS rate case filed 3/30/06, the following cities approved the same Cost of Gas Clause, Weather Normalization Clause, T-Gen and Cost of Service rates for both gas sales and standard transport. City approvals are as follows:
 City Ordinance # Date Ordinance Passed Effective Date of Gas Sales and Standard Transport Rate Schedules Alamo 14-07-06 7/18/06 7/31/06 Alton 2006-13 7/18/06 7/31/06 Brownsville 2006-1461 8/1/06 7/31/06 Combes 2006-1 7/24/06 7/31/06 Donna A-2006-07-09 8/8/06 7/31/06 Edcouch 2006-11 8/8/06 7/31/06 Edinburg 06-3105 7/18/06 7/31/06 Elsa 06-07 7/18/06 7/31/06 Harlingen 06-47 8/1/06 7/31/06 Hidalgo 2006-08 7/25/06 7/31/06 La Feria 2006-08 7/25/06 7/31/06 La Joya 2006-07 8/8/06 7/31/06 La Villa 09-18-06 09/18/06 7/31/06 Laguna Vista 2006-13 8/8/06 7/31/06 Los Fresnos 354 7/18/06 7/31/06 Lyford 06-08-14 8/14/06 7/31/06 McAllen 2006-81 8/7/06 7/31/06 Mercedes 2006-10 8/8/06 7/31/06 Mission 3143 7/24/06 7/31/06 Palm Valley 2006-1 7/17/06 7/31/06 Palmview 2006-01 7/18/06 7/31/06 Penitas 2006-07 8/2/06 7/31/06 Pharr 2006-37 7/18/06 7/31/06 Port Isabel 668 8/8/06 7/31/06 Primera 2006-05 7/27/06 7/31/06 Progreso 06-09-22-081 9/27/06 7/31/06 Rancho Viejo 160 8/8/06 7/31/06 Raymondville 1106 7/25/06 7/31/06 Rio Hondo 357 7/25/06 7/31/06 San Benito 2374 7/25/06 7/31/06 San Juan 0-06-05 7/25/06 7/31/06 Santa Rosa 2006-03 7/31/06 7/31/06 Weslaco 2006-22 8/1/06 7/31/06 Initial July 31, 2006

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9224

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9224

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009

WNA RGV-IS

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas served in Rio Grande Valley Service Area: 10, 20, and 40. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:
WNA Rate = WNAD, where CV WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: $WNAD = (HDD\ Diff * CB * WF) * COS\ rate$, where $HDD\ Diff = (Normal\ HDD - Actual\ HDD)$, the difference between normal and actual heating degree days for the billing period. CB = Number of customers billed for the billing period. WF = Weather factor determined for each rate schedule in the most recent rate case. CV = Current Volumes for the billing period. D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial Rate Meters Read On and After

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GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 9224

RATE SCHEDULE

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DESCRIPTION

July 31, 2006

1-RGV-IS-COG

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area

RATE SCHEDULE NO. 1 COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in its incorporated areas in the Rio Grande Valley Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component and related fees and taxes (including franchise fees) and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include the value of gas withdrawn from storage and shall include gains or losses from the utilization of natural gas financial instruments which are executed by the Company in an effort to mitigate price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes received into the distribution system during the twelve (12) month period ending June 30 by the sum of the volumes delivered off the distribution system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this cost of gas clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general

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service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer, in the incorporated areas of Alamo, Brownsville, Donna, La Feria, La Joya, Los Fresnos, Lyford, Mercedes, Palm Valley, Primera, Raymondville, Santa Rosa, and Weslaco only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to the incorporated areas of Alamo, Brownsville, Donna, La Feria, La Joya, Los Fresnos, Lyford, Mercedes, Palm Valley, Primera, Raymondville, Santa Rosa, and Weslaco, in accordance with the Settlement Agreement, are collected by the Company. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer, in the incorporated areas of the Rio Grande Valley Service Area a rate case expense surcharge of \$0.00511 per Ccf during the billing period in accordance with the Settlement Agreement and Term Sheet dated July 10, 2006 and the applicable city ordinance by and among the Company and the Cities in regard to the Company's Statement of Intent to Increase rates filed on March 30, 2006. The rate case expense surcharge shall be effective only until the rate case expenses are collected. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. SALE OF EXCESS GAS SUPPLY For the purposes of this section, Excess Gas Sales shall mean

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the gas sold by the Company in excess of the gas utilized to provide natural gas sales pursuant to this Rate Schedule. Excess Gas Sales Margin shall mean the annual difference for the twelve month period ending July 31 between the revenues received from Excess Gas Sales and the cost of the Excess Gas purchased, plus any cost related to the delivery or processing of the gas to the custody transfer point of sale beyond the RGV distribution system. Annually, the Company shall reimburse the Cities served under this Rate Schedule up to a total of \$5,000 for the cost of reviewing the calculation of profits and losses attributable to Excess Gas Sales. This \$5,000 shall be deducted from the annual Excess Gas Sales Margin prior to the allocation between the Company and ratepayers. For any one-year period (August 1-July 31), the Company shall record the first \$235,543 in Excess Gas Sales Margin in F.E.R.C. Account 489.3. The \$235,543 reimburses the rate payers for all costs associated with transporting excess gas across the RGV distribution system. Any Excess Gas Sales Margin exceeding \$240,543 shall be allocated between the Company and ratepayers at the conclusion of the one-year period, with 65% going to the Company without further obligation to refund or credit, in any form, such revenue to its customers and 35% credited to customers. The Excess Gas Sales Margin allocated to ratepayers shall be credited to ratepayers through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from Excess Gas Sales and no such annual losses shall be paid by the ratepayers.

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

I. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A calculation of the net margin on sales of excess gas for the reconciliation period, and the amount allocated to customers. 6. A summary of all gains and losses due to the use of financial instruments during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for December. Supersedes Same Sheet Dated Meters Read On and After April 28, 2006 July 31, 2006

10-RGV-IS-Res

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE 10
RESIDENTIAL SERVICE RATE APPLICABILITY Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential

GAS SERVICES DIVISION
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apartment, or nursing homes, for domestic purposes. TERRITORY All customers in the incorporated areas served by the Company in its Rio Grande Valley Service Area.
 COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter per month of \$9.50 plus - All Ccf @ \$.16354 per Ccf OTHER
 ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments: Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchises fees) related to above, see Rate Schedule 1B.
 CONDITIONS Subject in all respects to applicable laws, rules, and regulations from time to time in effect. Supersedes Same Sheet Dated Meters Read On and After September 25, 2001 July 31, 2006

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9224

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8912	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALTON - INC (RGV SVC AREA)			
8913	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BAYVIEW - INC (RGV SVC AREA)			
27069	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMHURST - INC (RGV SVC AREA)			
8911	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALAMO - INC (RGV SVC AREA)			
8914	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - INC (RGV SVC AREA)			
8915	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	COMBES - INC (RGV SVC AREA)			
8916	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	DONNA - INC (RGV SVC AREA)			
8917	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDCOUCH - INC (RGV SVC AREA)			
8918	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDINBURG - INC (RGV SVC AREA)			
8919	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ELSA - INC (RGV SVC AREA)			
8920	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HARLINGEN - INC (RGV SVC AREA)			
8921	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HIDALGO - INC (RGV SVC AREA)			
8922	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA FERIA - INC (RGV SVC AREA)			
8923	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA JOYA - INC (RGV SVC AREA)			
8924	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA VILLA - INC (RGV SVC AREA)			
8925	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - INC (RGV SVC AREA)			
8926	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - INC (RGV SVC AREA)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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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>
8927	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LYFORD - INC (RGV SVC AREA)			
8928	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MCALLEN - INC (RGV SVC AREA)			
8929	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MERCEDES - INC (RGV SVC AREA)			
8930	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MISSION - INC (RGV SVC AREA)			
8931	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - INC (RGV SVC AREA)			
8932	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMVIEW - INC (RGV SVC AREA)			
8933	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PENITAS - INC (RGV SVC AREA)			
8934	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PHARR - INC (RGV SVC AREA)			
8935	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -INC (RGV SVC AREA)			
8936	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PRIMERA - INC (RGV SVC AREA)			
8937	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PROGRESSO - INC (RGV SVC AREA)			
8938	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - INC (RGV SVC AREA)			
8939	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - INC (RGV SVC AREA)			
8940	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RIO HONDO - INC (RGV SVC AREA)			
8941	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN BENITO - INC (RGV SVC AREA)			
8942	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN JUAN - INC (RGV SVC AREA)			
8943	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - INC (RGV SVC AREA)			

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9224

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8944	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	WESLACO - INC (RGV SVC AREA)			
8911	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALAMO - INC (RGV SVC AREA)			
8912	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALTON - INC (RGV SVC AREA)			
8913	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BAYVIEW - INC (RGV SVC AREA)			
8914	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - INC (RGV SVC AREA)			
8915	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	COMBES - INC (RGV SVC AREA)			
8916	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	DONNA - INC (RGV SVC AREA)			
8917	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDCOUCH - INC (RGV SVC AREA)			
8918	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDINBURG - INC (RGV SVC AREA)			
8919	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ELSA - INC (RGV SVC AREA)			
8920	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HARLINGEN - INC (RGV SVC AREA)			
8921	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HIDALGO - INC (RGV SVC AREA)			
8922	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA FERIA - INC (RGV SVC AREA)			
8923	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA JOYA - INC (RGV SVC AREA)			
8924	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA VILLA - INC (RGV SVC AREA)			
8925	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - INC (RGV SVC AREA)			
8926	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - INC (RGV SVC AREA)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9224

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8927	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LYFORD - INC (RGV SVC AREA)			
8928	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MCALLEN - INC (RGV SVC AREA)			
8929	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MERCEDES - INC (RGV SVC AREA)			
8930	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MISSION - INC (RGV SVC AREA)			
8931	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - INC (RGV SVC AREA)			
8932	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMVIEW - INC (RGV SVC AREA)			
8933	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PENITAS - INC (RGV SVC AREA)			
8934	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PHARR - INC (RGV SVC AREA)			
8935	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -INC (RGV SVC AREA)			
8936	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PRIMERA - INC (RGV SVC AREA)			
8937	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PROGRESSO - INC (RGV SVC AREA)			
8938	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - INC (RGV SVC AREA)			
8939	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - INC (RGV SVC AREA)			
8940	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RIO HONDO - INC (RGV SVC AREA)			
8941	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN BENITO - INC (RGV SVC AREA)			
8942	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN JUAN - INC (RGV SVC AREA)			
8943	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - INC (RGV SVC AREA)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9224

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8944	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u> WESLACO - INC (RGV SVC AREA)				
27069	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u> PALMHURST - INC (RGV SVC AREA)				

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See ORD-IRA-RGV-IS& ORD-RGV-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate 1B-RGV-IS-FrGrTx revised to reflect increase in the franchise rate for the City of Lyford eff. 07/30/09, per the Lyford Ordinance No. 09-03-23

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u> 10_Residential Sales_Rio Grande Valley Svc Area - Incorporated areas	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9225

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/31/2006 ORIGINAL CONTRACT DATE: 07/31/2006 RECEIVED DATE: 08/13/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-RGV-IS-COG	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area</p> <p>RATE SCHEDULE NO. 1 COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in its incorporated areas in the Rio Grande Valley Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component and related fees and taxes (including franchise fees) and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include the value of gas withdrawn from storage and shall include gains or losses from the utilization of natural gas financial instruments which are executed by the Company in an effort to mitigate price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes received into the distribution system during the twelve (12) month period ending June 30 by the sum of the volumes delivered off the distribution system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this cost of gas clause, and (c) refunds, payments, or charges provided for herein</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9225

RATE SCHEDULESCHEDULE IDDESCRIPTION

or as approved by the regulatory authority , (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer, in the incorporated areas of Alamo, Brownsville, Donna, La Feria, La Joya, Los Fresnos, Lyford, Mercedes, Palm Valley, Primera, Raymondville, Santa Rosa, and Weslaco only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to the incorporated areas of Alamo, Brownsville, Donna, La Feria, La Joya, Los Fresnos, Lyford, Mercedes, Palm Valley, Primera, Raymondville, Santa Rosa, and Weslaco, in accordance with the Settlement Agreement, are collected by the Company. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer, in the incorporated areas of the Rio Grande Valley Service Area a rate case expense surcharge of \$0.00511 per Ccf during the billing period in accordance with the Settlement Agreement and Term Sheet dated July 10, 2006 and the applicable city ordinance by and among the Company and the Cities in regard to the Company's Statement of Intent to Increase rates filed on March 30, 2006. The rate case expense surcharge shall be effective only until the rate case expenses are collected. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the

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Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. SALE OF EXCESS GAS SUPPLY For the purposes of this section, Excess Gas Sales shall mean the gas sold by the Company in excess of the gas utilized to provide natural gas sales pursuant to this Rate Schedule. Excess Gas Sales Margin shall mean the annual difference for the twelve month period ending July 31 between the revenues received from Excess Gas Sales and the cost of the Excess Gas purchased, plus any cost related to the delivery or processing of the gas to the custody transfer point of sale beyond the RGV distribution system. Annually, the Company shall reimburse the Cities served under this Rate Schedule up to a total of \$5,000 for the cost of reviewing the calculation of profits and losses attributable to Excess Gas Sales. This \$5,000 shall be deducted from the annual Excess Gas Sales Margin prior to the allocation between the Company and ratepayers. For any one-year period (August 1- July 31), the Company shall record the first \$235,543 in Excess Gas Sales Margin in F.E.R.C. Account 489.3. The \$235,543 reimburses the rate payers for all costs associated with transporting excess gas across the RGV distribution system. Any Excess Gas Sales Margin exceeding \$240,543 shall be allocated between the Company and ratepayers at the conclusion of the one-year period, with 65% going to the Company without further obligation to refund or credit, in any form, such revenue to its customers and 35% credited to customers. The Excess Gas Sales Margin allocated to ratepayers shall be credited to ratepayers through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from Excess Gas Sales and no such annual losses shall be paid by the ratepayers.

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

I. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.
5. A calculation of the net margin on sales of excess gas for the reconciliation period, and the amount allocated to customers.
6. A summary of all gains and losses due to the use of financial instruments during the reconciliation period.

This report shall be filed concurrently with the Cost of

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Gas Statement for December. Supersedes Same Sheet Dated Meters Read On and After April 28, 2006 July 31, 2006

1B-RGV-IS-FrGrTx TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE 1B
Adjustment Franchise Fee and State Occupancy Tax Factors for Applicable General Service Rates

Tax Rate	State	City	Occupancy Tax	Franchise Fee
Billing Tax	City or Town	Factor 1/	(a)	(b)
(c)	(d) Alamo	(b)	1.997%	
5.000%	7.523% Alton	1.070		2.000
3.167	Brownsville	1.997	4.000	6.380
	Combes	1.070	2.000	3.167 Donna
	1.997	5.000	7.523	Edcouch 1.070
	3.000	4.242	Edinburg	1.997
5.000	7.523	Elsa	1.070	5.000
6.462	Harlingen	1.997	5.000	7.523 Hidalgo
	1.070	5.000	6.462	La Feria
1.070		2.000	3.167	Laguna Vista
0.581		2.000	2.649	La Joya 1.070
	5.000	6.462	La Villa	0.581
5.000	5.911	Los Fresnos	1.070	2.000
3.167	Lyford	0.581	5.000	5.911 McAllen
	1.997	5.000	7.523	Mercedes
1.997		5.000	7.523	Mission 1.997
	4.000	6.380	Palm Valley	0.581
2.000	2.649	Palmhurst		1.070
	-			1.082 Palmview
	1.070		2.000	3.167 Penitas 0.581
5.000	5.911	Pharr	1.997	5.000
7.523	Port Isabel	1.070	5.000	6.462
	Primera	1.070	2.000	3.167 Progreso
1.070	4.000	5.341	Rancho Viejo	0.581
	2.000	2.649	Raymondville	1.070
4.000	5.341	Rio Hondo	0.581	2.000
	1.997	5.000	7.523	San Juan 2.649
	1.997	5.000	7.523	Santa Rosa
1.070		3.000	4.242	Weslaco 1.997
	5.000	7.523	1/ The tax rates shown in columns (b) and (c)	

above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the PGA adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. For example, for the City of Brownsville the 6.380% Billing Tax Factor added to a basic bill of \$100.00 would equal \$106.38. Bill Including Tax Adjustment \$106.38 Less: State Occupancy Tax @1.997% 2.12 City Franchise Fee @4.000% 4.26 Bill Before Tax Adjustment \$100.00

Supersedes Same Rate Sheet Dated Meters Read On and After March 31, 2009 July 30, 2009

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GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 9225

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION																					
20-RGV-IS-Com	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE 20 COMMERCIAL SERVICE RATE APPLICABILITY Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule. TERRITORY All customers in the incorporated areas served by the Company in its Rio Grande Valley Service Area. COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter per month of \$25.00 plus (For Commercial Service) A Customer Charge per meter per month of \$12.50 plus (For Church Service) All Ccf @ \$.14499 per Ccf OTHER ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments: Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchises fees) related to above, see Rate Schedule 1B. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of Gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residences, hospitals, schools, churches, and other human needs customers as prioritized in the Company's approved Curtailment Program. Supersedes Same Sheet Dated Meters Read On and After September 25, 2001 and July 31, 2006 Rate Schedule 22 September 25, 2001</p>																					
IRA-RGV-IS-IRAadj	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE IRA INTERIM RATE ADJUSTMENT TARIFF 2006 and 2007 A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the incorporated areas of Rio Grande Valley Service Area. Applicable rate schedules include 10, 20, 30, 40, T-1 and T-2. B. BILLING The following Interim Rate Adjustments (IRA-2006 and IRA-2007) will be added to the applicable Rate Schedule Customer Charge for each monthly billing period:</p> <table border="1"> <thead> <tr> <th>Rate Schedule</th> <th>Customer Class</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td>IRA-2006</td> <td>10 Residential</td> <td>\$ 0.36</td> </tr> <tr> <td>IRA-2006</td> <td>20 Commercial and Church</td> <td>\$ 3.92</td> </tr> <tr> <td>IRA-2006</td> <td>30 Industrial</td> <td>\$ 5.90</td> </tr> <tr> <td>IRA-2006</td> <td>40 Public Authority</td> <td>\$ 3.53</td> </tr> <tr> <td>IRA-2006</td> <td>T-1 and T-2 Transportation</td> <td>\$ 47.35</td> </tr> <tr> <td>IRA-2007</td> <td>All applicable fees and taxes will be added to the above rate.</td> <td>\$ 30.47</td> </tr> </tbody> </table> <p>Supersedes Same Sheet Dated Meters Read On and After December 29, 2008 (IRA-2007 Effective Only for February 12, 2009 Cities of La Villa, Palm Valley, Progreso and Santa Rosa)</p>	Rate Schedule	Customer Class	Charge	IRA-2006	10 Residential	\$ 0.36	IRA-2006	20 Commercial and Church	\$ 3.92	IRA-2006	30 Industrial	\$ 5.90	IRA-2006	40 Public Authority	\$ 3.53	IRA-2006	T-1 and T-2 Transportation	\$ 47.35	IRA-2007	All applicable fees and taxes will be added to the above rate.	\$ 30.47
Rate Schedule	Customer Class	Charge																				
IRA-2006	10 Residential	\$ 0.36																				
IRA-2006	20 Commercial and Church	\$ 3.92																				
IRA-2006	30 Industrial	\$ 5.90																				
IRA-2006	40 Public Authority	\$ 3.53																				
IRA-2006	T-1 and T-2 Transportation	\$ 47.35																				
IRA-2007	All applicable fees and taxes will be added to the above rate.	\$ 30.47																				
ORD-IRA-RGV-IS	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San</p>																					

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 9225

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Benito, San Juan, Santa Rosa and Weslaco, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 6/26/07, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: IRA - 2006 City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules La Villa* 08-08-07 08/08/07 10/14/07 Palm Valley* No Action Via Operation of Law 8/30/07 10/14/07 Palmhurst* 08-21-07-Texas Gas Service 08/21/07 10/14/07 Rio Hondo* No Action Via Operation of Law 8/30/07 10/14/07 Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, San Benito, San Juan, Santa Rosa and Weslaco Settlement Agreement 10/02/07 10/02/07 10/14/07 *Company agreed to adjustments relating to the 2006 Interim Rate Adjustment on 10/2/2007. The Company chose to implement revised Rate Schedule IRA in the Cities of La Villa, Palm Valley, Palmhurst and Rio Hondo effective October 14, 2007. Filed revised IRA Rate Schedule with these cities October 11, 2007. These Cities were previously on Rate Schedule IRA dated Meters Read On and After August 30, 2007. Per TGS Interim Rate Adjustment filed 10/30/2008, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: IRA - 2007 City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules La Villa** No Action Via Operation of Law 12/29/08 2/12/09 Palm Valley** No Action Via Operation of Law 12/29/08 2/12/09 Progreso** No Action Via Operation of Law 12/29/08 2/12/09 Santa Rosa** No Action Via Operation of Law 12/29/08 2/12/09 Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, and Weslaco Settlement Agreement 2/2/09 2/12/09 **Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 2/2/2009. The Company chose to implement revised Rate Schedule IRA in the Cities of La Villa, Palm Valley, Progreso and Santa Rosa effective February 12, 2009. Filed revised IRA Rate Schedule with these cities February 12, 2009. These Cities were previously on Rate Schedule IRA dated Meters Read On and After December 29, 2008. Initial (Revised February 12, 2009)

ORD-RGV-IS

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area
RATE SCHEDULE ORD-RGV CITY ORDINANCE LISTING
APPLICABILITY Applicable to all gas sales and standard transport customers.
TERRITORY All customers in the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa and Weslaco, Texas.
DESCRIPTION Per TGS rate case filed 3/30/06, the following cities approved the same Cost of Gas Clause, Weather Normalization Clause, T-Gen and Cost of Service rates for both gas sales and standard transport. City approvals are as follows:
City Ordinance # Date Ordinance Passed Effective Date of Gas Sales and Standard Transport Rate Schedules Alamo 14-07-06 7/18/06 7/31/06 Alton 2006-13 7/18/06 7/31/06 Brownsville 2006-1461 8/1/06 7/31/06 Combes 2006-1 7/24/06 7/31/06 Donna A-2006-07-09 8/8/06 7/31/06 Edcouch 2006-11 8/8/06 7/31/06 Edinburg 06-3105 7/18/06 7/31/06 Elsa 06-07 7/18/06 7/31/06 Harlingen 06-47 8/1/06 7/31/06 Hidalgo 2006-08 7/25/06 7/31/06 La Feria 2006-08 7/25/06 7/31/06 La Joya 2006-07 8/8/06 7/31/06 La Villa 09-18-06 09/18/06 7/31/06 Laguna Vista 2006-13 8/8/06 7/31/06 Los Fresnos 354

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DESCRIPTION

7/18/06 7/31/06 Lyford 06-08-14 8/14/06 7/31/06 McAllen 2006-81 8/7/06 7/31/06
Mercedes 2006-10 8/8/06 7/31/06 Mission 3143 7/24/06 7/31/06 Palm Valley 2006-1
7/17/06 7/31/06 Palmview 2006-01 7/18/06 7/31/06 Penitas 2006-07 8/2/06 7/31/06
Pharr 2006-37 7/18/06 7/31/06 Port Isabel 668 8/8/06 7/31/06 Primera 2006-05
7/27/06 7/31/06 Progreso 06-09-22-081 9/27/06 7/31/06 Rancho Viejo 160 8/8/06
7/31/06 Raymondville 1106 7/25/06 7/31/06 Rio Hondo 357 7/25/06 7/31/06 San Benito
2374 7/25/06 7/31/06 San Juan 0-06-05 7/25/06 7/31/06 Santa Rosa 2006-03 7/31/06
7/31/06 Weslaco 2006-22 8/1/06 7/31/06 Initial July 31, 2006

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)
the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNA RGV-IS

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas served in Rio Grande Valley Service Area: 10, 20, and 40. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9225

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD} \times \text{CV}$$
 where $\text{WNAD} = \text{Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: } \text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate, where } \text{HDD Diff} = (\text{Normal HDD} - \text{Actual HDD}), \text{ the difference between normal and actual heating degree days for the billing period. } \text{CB} = \text{Number of customers billed for the billing period. } \text{WF} = \text{Weather factor determined for each rate schedule in the most recent rate case. } \text{CV} = \text{Current Volumes for the billing period.}$
 D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial Rate Meters Read On and After July 31, 2006

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 9225

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
27069	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMHURST - INC (RGV SVC AREA)			
8911	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALAMO - INC (RGV SVC AREA)			
8912	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALTON - INC (RGV SVC AREA)			
8913	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BAYVIEW - INC (RGV SVC AREA)			
8914	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - INC (RGV SVC AREA)			
8915	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	COMBES - INC (RGV SVC AREA)			
8916	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	DONNA - INC (RGV SVC AREA)			
8917	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDCOUCH - INC (RGV SVC AREA)			
8918	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDINBURG - INC (RGV SVC AREA)			
8919	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ELSA - INC (RGV SVC AREA)			
8920	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HARLINGEN - INC (RGV SVC AREA)			
8921	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HIDALGO - INC (RGV SVC AREA)			
8922	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA FERIA - INC (RGV SVC AREA)			
8923	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA JOYA - INC (RGV SVC AREA)			
8924	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA VILLA - INC (RGV SVC AREA)			
8925	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - INC (RGV SVC AREA)			
8926	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - INC (RGV SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9225

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8927	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LYFORD - INC (RGV SVC AREA)			
8928	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MCALLEN - INC (RGV SVC AREA)			
8929	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MERCEDES - INC (RGV SVC AREA)			
8930	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MISSION - INC (RGV SVC AREA)			
8931	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - INC (RGV SVC AREA)			
8932	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMVIEW - INC (RGV SVC AREA)			
8933	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PENITAS - INC (RGV SVC AREA)			
8934	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PHARR - INC (RGV SVC AREA)			
8935	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -INC (RGV SVC AREA)			
8936	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PRIMERA - INC (RGV SVC AREA)			
8937	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PROGRESSO - INC (RGV SVC AREA)			
8938	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - INC (RGV SVC AREA)			
8939	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - INC (RGV SVC AREA)			
8940	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RIO HONDO - INC (RGV SVC AREA)			
8941	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN BENITO - INC (RGV SVC AREA)			
8942	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN JUAN - INC (RGV SVC AREA)			
8943	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - INC (RGV SVC AREA)			

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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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>
8944	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	WESLACO - INC (RGV SVC AREA)			
8911	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALAMO - INC (RGV SVC AREA)			
8912	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALTON - INC (RGV SVC AREA)			
8913	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BAYVIEW - INC (RGV SVC AREA)			
8914	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - INC (RGV SVC AREA)			
8915	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	COMBES - INC (RGV SVC AREA)			
8916	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	DONNA - INC (RGV SVC AREA)			
8917	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDCOUCH - INC (RGV SVC AREA)			
8918	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDINBURG - INC (RGV SVC AREA)			
8919	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ELSA - INC (RGV SVC AREA)			
8920	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HARLINGEN - INC (RGV SVC AREA)			
8921	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HIDALGO - INC (RGV SVC AREA)			
8922	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA FERIA - INC (RGV SVC AREA)			
8923	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA JOYA - INC (RGV SVC AREA)			
8924	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA VILLA - INC (RGV SVC AREA)			
8925	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - INC (RGV SVC AREA)			
8926	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - INC (RGV SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9225

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8927	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LYFORD - INC (RGV SVC AREA)			
8928	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MCALLEN - INC (RGV SVC AREA)			
8929	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MERCEDES - INC (RGV SVC AREA)			
8930	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MISSION - INC (RGV SVC AREA)			
8931	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - INC (RGV SVC AREA)			
8932	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMVIEW - INC (RGV SVC AREA)			
8933	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PENITAS - INC (RGV SVC AREA)			
8934	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PHARR - INC (RGV SVC AREA)			
8935	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -INC (RGV SVC AREA)			
8936	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PRIMERA - INC (RGV SVC AREA)			
8937	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PROGRESSO - INC (RGV SVC AREA)			
8938	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - INC (RGV SVC AREA)			
8939	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - INC (RGV SVC AREA)			
8940	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RIO HONDO - INC (RGV SVC AREA)			
8941	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN BENITO - INC (RGV SVC AREA)			
8942	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN JUAN - INC (RGV SVC AREA)			
8943	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - INC (RGV SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9225

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8944	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u> WESLACO - INC (RGV SVC AREA)				
27069	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u> PALMHURST - INC (RGV SVC AREA)				

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See ORD-IRA-RGV-IS& ORD-RGV-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate 1B-RGV-IS-FrGrTx revised to reflect increase in the franchise rate for the City of Lyford eff. 07/30/09, per the Lyford Ordinance No. 09-03-23

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u> 20_Commercial Sales_Rio Grande Valley Svc Area - Incorporated areas	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/31/2006 ORIGINAL CONTRACT DATE: 07/31/2006 RECEIVED DATE: 08/13/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-RGV-IS-COG	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area</p> <p>RATE SCHEDULE NO. 1 COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in its incorporated areas in the Rio Grande Valley Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component and related fees and taxes (including franchise fees) and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include the value of gas withdrawn from storage and shall include gains or losses from the utilization of natural gas financial instruments which are executed by the Company in an effort to mitigate price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes received into the distribution system during the twelve (12) month period ending June 30 by the sum of the volumes delivered off the distribution system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this cost of gas clause, and (c) refunds, payments, or charges provided for herein</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

or as approved by the regulatory authority , (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer, in the incorporated areas of Alamo, Brownsville, Donna, La Feria, La Joya, Los Fresnos, Lyford, Mercedes, Palm Valley, Primera, Raymondville, Santa Rosa, and Weslaco only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to the incorporated areas of Alamo, Brownsville, Donna, La Feria, La Joya, Los Fresnos, Lyford, Mercedes, Palm Valley, Primera, Raymondville, Santa Rosa, and Weslaco, in accordance with the Settlement Agreement, are collected by the Company. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer, in the incorporated areas of the Rio Grande Valley Service Area a rate case expense surcharge of \$0.00511 per Ccf during the billing period in accordance with the Settlement Agreement and Term Sheet dated July 10, 2006 and the applicable city ordinance by and among the Company and the Cities in regard to the Company's Statement of Intent to Increase rates filed on March 30, 2006. The rate case expense surcharge shall be effective only until the rate case expenses are collected. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

RATE SCHEDULESCHEDULE IDDESCRIPTION

Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. SALE OF EXCESS GAS SUPPLY For the purposes of this section, Excess Gas Sales shall mean the gas sold by the Company in excess of the gas utilized to provide natural gas sales pursuant to this Rate Schedule. Excess Gas Sales Margin shall mean the annual difference for the twelve month period ending July 31 between the revenues received from Excess Gas Sales and the cost of the Excess Gas purchased, plus any cost related to the delivery or processing of the gas to the custody transfer point of sale beyond the RGV distribution system. Annually, the Company shall reimburse the Cities served under this Rate Schedule up to a total of \$5,000 for the cost of reviewing the calculation of profits and losses attributable to Excess Gas Sales. This \$5,000 shall be deducted from the annual Excess Gas Sales Margin prior to the allocation between the Company and ratepayers. For any one-year period (August 1- July 31), the Company shall record the first \$235,543 in Excess Gas Sales Margin in F.E.R.C. Account 489.3. The \$235,543 reimburses the rate payers for all costs associated with transporting excess gas across the RGV distribution system. Any Excess Gas Sales Margin exceeding \$240,543 shall be allocated between the Company and ratepayers at the conclusion of the one-year period, with 65% going to the Company without further obligation to refund or credit, in any form, such revenue to its customers and 35% credited to customers. The Excess Gas Sales Margin allocated to ratepayers shall be credited to ratepayers through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from Excess Gas Sales and no such annual losses shall be paid by the ratepayers.

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

I. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.
5. A calculation of the net margin on sales of excess gas for the reconciliation period, and the amount allocated to customers.
6. A summary of all gains and losses due to the use of financial instruments during the reconciliation period.

This report shall be filed concurrently with the Cost of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Gas Statement for December. Supersedes Same Sheet Dated Meters Read On and After April 28, 2006 July 31, 2006

1B-RGV-IS-FrGrTx

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE 1B

Adjustment Franchise Fee and State Occupancy Tax Factors for Applicable General Service Rates

Tax Rate	State	City	Occupancy Tax	Franchise Fee
Billing Tax	City or Town	Factor 1/	(a)	(b)
(c)	(d) Alamo	(c)	(b)	(b)
5.000%	7.523% Alton		1.997%	2.000
3.167	Brownsville	1.997	4.000	6.380
	Combes	1.070	2.000	3.167 Donna
	1.997	5.000	7.523	Edcouch 1.070
	3.000	4.242	Edinburg	1.997
5.000	7.523	Elsa	1.070	5.000
6.462	Harlingen	1.997	5.000	7.523 Hidalgo
	1.070	5.000	6.462	La Feria
1.070		2.000	3.167	Laguna Vista
0.581		2.000	2.649	La Joya 1.070
	5.000	6.462	La Villa	0.581
5.000	5.911	Los Fresnos	1.070	2.000
3.167	Lyford		0.581	5.000 5.911 McAllen
	1.997	5.000	7.523	Mercedes
1.997		5.000	7.523	Mission 1.997
	4.000	6.380	Palm Valley	0.581
2.000	2.649	Palmhurst		1.070
	-			1.082 Palmview
	1.070		2.000	3.167 Penitas 0.581
5.000	5.911	Pharr	1.997	5.000
7.523	Port Isabel		1.070	5.000 6.462
	Primera	1.070		2.000 3.167 Progreso
1.070	4.000	5.341	Rancho Viejo	0.581
	2.000	2.649	Raymondville	1.070
4.000	5.341	Rio Hondo	0.581	2.000 2.649
	San Benito	1.997	5.000	7.523 San Juan
	1.997	5.000	7.523	Santa Rosa
1.070		3.000	4.242	Weslaco 1.997

1/ The tax rates shown in columns (b) and (c) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the PGA adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. For example, for the City of Brownsville the 6.380% Billing Tax Factor added to a basic bill of \$100.00 would equal \$106.38. Bill Including Tax Adjustment \$106.38 Less: State Occupancy Tax @1.997% 2.12 City Franchise Fee @4.000% 4.26 Bill Before Tax Adjustment \$100.00

Supersedes Same Rate Sheet Dated Meters Read On and After March 31, 2009 July 30, 2009

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

30-RGV-IS-Ind

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE 30
INDUSTRIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Divisions E and J - Utility and Government - facilities generating power for resale only TERRITORY All customers in the incorporated areas served by the Company in its Rio Grande Valley Service Area. COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter per month of \$50.00 plus - All Ccf @ \$.14335 per Ccf OTHER ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments: Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1. Taxes: Plus applicable taxes and fees (including franchises fees) related to above, see Rate Schedule 1B. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residences, hospitals, schools, churches, and other human needs customers as prioritized in the Company's approved Curtailment Program. Supersedes Same Sheet Dated Meters Read On and After September 25, 2001 July 31, 2006

IRA-RGV-IS-IRAadj

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE IRA
INTERIM RATE ADJUSTMENT TARIFF 2006 and 2007 A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the incorporated areas of Rio Grande Valley Service Area. Applicable rate schedules include 10, 20, 30, 40, T-1 and T-2. B. BILLING The following Interim Rate Adjustments (IRA-2006 and IRA-2007) will be added to the applicable Rate Schedule Customer Charge for each monthly billing period:

Rate Schedule	Customer Class	Charge
IRA-2006	10 Residential	\$ 0.36
IRA-2006	20 Commercial and Church	\$ 3.92
IRA-2006	30 Industrial	\$ 5.90
IRA-2006	40 Public Authority	\$ 3.53
IRA-2007	T-1 and T-2 Transportation	\$ 47.35
IRA-2007	All applicable fees and taxes will be added to the above rate.	\$ 30.47

Supersedes Same Sheet Dated Meters Read On and After December 29, 2008 (IRA-2007 Effective Only for February 12, 2009 Cities of La Villa, Palm Valley, Progreso and Santa Rosa)

ORD-IRA-RGV-IS

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE ORD-IRA
CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Benito, San Juan, Santa Rosa and Weslaco, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 6/26/07, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: IRA - 2006 City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules La Villa* 08-08-07 08/08/07 10/14/07 Palm Valley* No Action Via Operation of Law 8/30/07 10/14/07 Palmhurst* 08-21-07-Texas Gas Service 08/21/07 10/14/07 Rio Hondo* No Action Via Operation of Law 8/30/07 10/14/07 Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, San Benito, San Juan, Santa Rosa and Weslaco Settlement Agreement 10/02/07 10/02/07 10/14/07 *Company agreed to adjustments relating to the 2006 Interim Rate Adjustment on 10/2/2007. The Company chose to implement revised Rate Schedule IRA in the Cities of La Villa, Palm Valley, Palmhurst and Rio Hondo effective October 14, 2007. Filed revised IRA Rate Schedule with these cities October 11, 2007. These Cities were previously on Rate Schedule IRA dated Meters Read On and After August 30, 2007. Per TGS Interim Rate Adjustment filed 10/30/2008, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: IRA - 2007 City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules La Villa** No Action Via Operation of Law 12/29/08 2/12/09 Palm Valley** No Action Via Operation of Law 12/29/08 2/12/09 Progreso** No Action Via Operation of Law 12/29/08 2/12/09 Santa Rosa** No Action Via Operation of Law 12/29/08 2/12/09 Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, and Weslaco Settlement Agreement 2/2/09 2/12/09 **Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 2/2/2009. The Company chose to implement revised Rate Schedule IRA in the Cities of La Villa, Palm Valley, Progreso and Santa Rosa effective February 12, 2009. Filed revised IRA Rate Schedule with these cities February 12, 2009. These Cities were previously on Rate Schedule IRA dated Meters Read On and After December 29, 2008. Initial (Revised February 12, 2009)

ORD-RGV-IS

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area
RATE SCHEDULE ORD-RGV CITY ORDINANCE LISTING
APPLICABILITY Applicable to all gas sales and standard transport customers.
TERRITORY All customers in the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa and Weslaco, Texas.
DESCRIPTION Per TGS rate case filed 3/30/06, the following cities approved the same Cost of Gas Clause, Weather Normalization Clause, T-Gen and Cost of Service rates for both gas sales and standard transport. City approvals are as follows:
City Ordinance # Date Ordinance Passed Effective Date of Gas Sales and Standard Transport Rate Schedules Alamo 14-07-06 7/18/06 7/31/06 Alton 2006-13 7/18/06 7/31/06 Brownsville 2006-1461 8/1/06 7/31/06 Combes 2006-1 7/24/06 7/31/06 Donna A-2006-07-09 8/8/06 7/31/06 Edcouch 2006-11 8/8/06 7/31/06 Edinburg 06-3105 7/18/06 7/31/06 Elsa 06-07 7/18/06 7/31/06 Harlingen 06-47 8/1/06 7/31/06 Hidalgo 2006-08 7/25/06 7/31/06 La Feria 2006-08 7/25/06 7/31/06 La Joya 2006-07 8/8/06 7/31/06 La Villa 09-18-06 09/18/06 7/31/06 Laguna Vista 2006-13 8/8/06 7/31/06 Los Fresnos 354

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

7/18/06 7/31/06 Lyford 06-08-14 8/14/06 7/31/06 McAllen 2006-81 8/7/06 7/31/06
Mercedes 2006-10 8/8/06 7/31/06 Mission 3143 7/24/06 7/31/06 Palm Valley 2006-1
7/17/06 7/31/06 Palmview 2006-01 7/18/06 7/31/06 Penitas 2006-07 8/2/06 7/31/06
Pharr 2006-37 7/18/06 7/31/06 Port Isabel 668 8/8/06 7/31/06 Primera 2006-05
7/27/06 7/31/06 Progreso 06-09-22-081 9/27/06 7/31/06 Rancho Viejo 160 8/8/06
7/31/06 Raymondville 1106 7/25/06 7/31/06 Rio Hondo 357 7/25/06 7/31/06 San Benito
2374 7/25/06 7/31/06 San Juan 0-06-05 7/25/06 7/31/06 Santa Rosa 2006-03 7/31/06
7/31/06 Weslaco 2006-22 8/1/06 7/31/06 Initial July 31, 2006

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)
the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
27069	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMHURST - INC (RGV SVC AREA)			
8911	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALAMO - INC (RGV SVC AREA)			
8912	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALTON - INC (RGV SVC AREA)			
8913	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BAYVIEW - INC (RGV SVC AREA)			
8914	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - INC (RGV SVC AREA)			
8915	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	COMBES - INC (RGV SVC AREA)			
8916	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	DONNA - INC (RGV SVC AREA)			
8917	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDCOUCH - INC (RGV SVC AREA)			
8918	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDINBURG - INC (RGV SVC AREA)			
8919	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ELSA - INC (RGV SVC AREA)			
8920	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HARLINGEN - INC (RGV SVC AREA)			
8921	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HIDALGO - INC (RGV SVC AREA)			
8922	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA FERIA - INC (RGV SVC AREA)			
8923	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA JOYA - INC (RGV SVC AREA)			
8924	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA VILLA - INC (RGV SVC AREA)			
8925	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - INC (RGV SVC AREA)			
8926	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - INC (RGV SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8927	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LYFORD - INC (RGV SVC AREA)			
8928	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MCALLEN - INC (RGV SVC AREA)			
8929	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MERCEDES - INC (RGV SVC AREA)			
8930	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MISSION - INC (RGV SVC AREA)			
8931	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - INC (RGV SVC AREA)			
8932	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMVIEW - INC (RGV SVC AREA)			
8933	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PENITAS - INC (RGV SVC AREA)			
8934	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PHARR - INC (RGV SVC AREA)			
8935	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -INC (RGV SVC AREA)			
8936	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PRIMERA - INC (RGV SVC AREA)			
8937	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PROGRESSO - INC (RGV SVC AREA)			
8938	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - INC (RGV SVC AREA)			
8939	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - INC (RGV SVC AREA)			
8940	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RIO HONDO - INC (RGV SVC AREA)			
8941	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN BENITO - INC (RGV SVC AREA)			
8942	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN JUAN - INC (RGV SVC AREA)			
8943	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - INC (RGV SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8944	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	WESLACO - INC (RGV SVC AREA)			
8911	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALAMO - INC (RGV SVC AREA)			
8912	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALTON - INC (RGV SVC AREA)			
8913	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BAYVIEW - INC (RGV SVC AREA)			
8914	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - INC (RGV SVC AREA)			
8915	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	COMBES - INC (RGV SVC AREA)			
8916	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	DONNA - INC (RGV SVC AREA)			
8917	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDCOUCH - INC (RGV SVC AREA)			
8918	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDINBURG - INC (RGV SVC AREA)			
8919	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ELSA - INC (RGV SVC AREA)			
8920	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HARLINGEN - INC (RGV SVC AREA)			
8921	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HIDALGO - INC (RGV SVC AREA)			
8922	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA FERIA - INC (RGV SVC AREA)			
8923	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA JOYA - INC (RGV SVC AREA)			
8924	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA VILLA - INC (RGV SVC AREA)			
8925	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - INC (RGV SVC AREA)			
8926	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - INC (RGV SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8927	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LYFORD - INC (RGV SVC AREA)			
8928	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MCALLEN - INC (RGV SVC AREA)			
8929	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MERCEDES - INC (RGV SVC AREA)			
8930	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MISSION - INC (RGV SVC AREA)			
8931	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - INC (RGV SVC AREA)			
8932	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMVIEW - INC (RGV SVC AREA)			
8933	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PENITAS - INC (RGV SVC AREA)			
8934	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PHARR - INC (RGV SVC AREA)			
8935	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -INC (RGV SVC AREA)			
8936	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PRIMERA - INC (RGV SVC AREA)			
8937	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PROGRESSO - INC (RGV SVC AREA)			
8938	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - INC (RGV SVC AREA)			
8939	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - INC (RGV SVC AREA)			
8940	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RIO HONDO - INC (RGV SVC AREA)			
8941	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN BENITO - INC (RGV SVC AREA)			
8942	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN JUAN - INC (RGV SVC AREA)			
8943	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - INC (RGV SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9228

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8944	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u> WESLACO - INC (RGV SVC AREA)				
27069	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u> PALMHURST - INC (RGV SVC AREA)				

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See ORD-IRA-RGV-IS& ORD-RGV-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate 1B-RGV-IS-FrGrTx revised to reflect increase in the franchise rate for the City of Lyford eff. 07/30/09, per the Lyford Ordinance No. 09-03-23

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u> 30_Industrial Sales_Rio Grande Valley Svc Area - Incorporated areas	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9230

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/31/2006 ORIGINAL CONTRACT DATE: 07/31/2006 RECEIVED DATE: 08/13/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-RGV-IS-COG	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE NO. 1 COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in its incorporated areas in the Rio Grande Valley Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component and related fees and taxes (including franchise fees) and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include the value of gas withdrawn from storage and shall include gains or losses from the utilization of natural gas financial instruments which are executed by the Company in an effort to mitigate price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes received into the distribution system during the twelve (12) month period ending June 30 by the sum of the volumes delivered off the distribution system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this cost of gas clause, and (c) refunds, payments, or charges provided for herein</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9230

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

or as approved by the regulatory authority , (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer, in the incorporated areas of Alamo, Brownsville, Donna, La Feria, La Joya, Los Fresnos, Lyford, Mercedes, Palm Valley, Primera, Raymondville, Santa Rosa, and Weslaco only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to the incorporated areas of Alamo, Brownsville, Donna, La Feria, La Joya, Los Fresnos, Lyford, Mercedes, Palm Valley, Primera, Raymondville, Santa Rosa, and Weslaco, in accordance with the Settlement Agreement, are collected by the Company. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer, in the incorporated areas of the Rio Grande Valley Service Area a rate case expense surcharge of \$0.00511 per Ccf during the billing period in accordance with the Settlement Agreement and Term Sheet dated July 10, 2006 and the applicable city ordinance by and among the Company and the Cities in regard to the Company's Statement of Intent to Increase rates filed on March 30, 2006. The rate case expense surcharge shall be effective only until the rate case expenses are collected. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9230

RATE SCHEDULESCHEDULE IDDESCRIPTION

Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. SALE OF EXCESS GAS SUPPLY For the purposes of this section, Excess Gas Sales shall mean the gas sold by the Company in excess of the gas utilized to provide natural gas sales pursuant to this Rate Schedule. Excess Gas Sales Margin shall mean the annual difference for the twelve month period ending July 31 between the revenues received from Excess Gas Sales and the cost of the Excess Gas purchased, plus any cost related to the delivery or processing of the gas to the custody transfer point of sale beyond the RGV distribution system. Annually, the Company shall reimburse the Cities served under this Rate Schedule up to a total of \$5,000 for the cost of reviewing the calculation of profits and losses attributable to Excess Gas Sales. This \$5,000 shall be deducted from the annual Excess Gas Sales Margin prior to the allocation between the Company and ratepayers. For any one-year period (August 1- July 31), the Company shall record the first \$235,543 in Excess Gas Sales Margin in F.E.R.C. Account 489.3. The \$235,543 reimburses the rate payers for all costs associated with transporting excess gas across the RGV distribution system. Any Excess Gas Sales Margin exceeding \$240,543 shall be allocated between the Company and ratepayers at the conclusion of the one-year period, with 65% going to the Company without further obligation to refund or credit, in any form, such revenue to its customers and 35% credited to customers. The Excess Gas Sales Margin allocated to ratepayers shall be credited to ratepayers through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from Excess Gas Sales and no such annual losses shall be paid by the ratepayers.

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

I. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.
5. A calculation of the net margin on sales of excess gas for the reconciliation period, and the amount allocated to customers.
6. A summary of all gains and losses due to the use of financial instruments during the reconciliation period.

This report shall be filed concurrently with the Cost of

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9230

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Gas Statement for December. Supersedes Same Sheet Dated Meters Read On and After April 28, 2006 July 31, 2006

1B-RGV-IS-FrGrTx

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE 1B

Adjustment Franchise Fee and State Occupancy Tax Factors for Applicable General Service Rates

Tax Rate	State	City	Occupancy Tax	Franchise Fee
Billing Tax	City or Town	Factor 1/	(a)	(b)
(c)	(d) Alamo	(b)	1.997%	
5.000%	7.523% Alton	1.070		2.000
3.167	Brownsville	1.997	4.000	6.380
	Combes	1.070	2.000	3.167 Donna
	1.997	5.000	7.523	Edcouch 1.070
	3.000	4.242	Edinburg	1.997
5.000	7.523	Elsa	1.070	5.000
6.462	Harlingen	1.997	5.000	7.523 Hidalgo
	1.070	5.000	6.462	La Feria
1.070		2.000	3.167	Laguna Vista
0.581		2.000	2.649	La Joya 1.070
	5.000	6.462	La Villa	0.581
5.000	5.911	Los Fresnos	1.070	2.000
3.167	Lyford	0.581	5.000	5.911 McAllen
	1.997	5.000	7.523	Mercedes
1.997		5.000	7.523	Mission 1.997
	4.000	6.380	Palm Valley	0.581
2.000	2.649	Palmhurst		1.070
	-			1.082 Palmview
	1.070		2.000	3.167 Penitas 0.581
5.000	5.911	Pharr	1.997	5.000
7.523	Port Isabel	1.070	5.000	6.462
	Primera	1.070	2.000	3.167 Progreso
1.070	4.000	5.341	Rancho Viejo	0.581
	2.000	2.649	Raymondville	1.070
4.000	5.341	Rio Hondo	0.581	2.000 2.649
	San Benito	1.997	5.000	7.523 San Juan
	1.997	5.000	7.523	Santa Rosa
1.070		3.000	4.242	Weslaco 1.997

1/ The tax rates shown in columns (b) and (c) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the PGA adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. For example, for the City of Brownsville the 6.380% Billing Tax Factor added to a basic bill of \$100.00 would equal \$106.38. Bill Including Tax Adjustment \$106.38 Less: State Occupancy Tax @1.997% 2.12 City Franchise Fee @4.000% 4.26 Bill Before Tax Adjustment \$100.00

Supersedes Same Rate Sheet Dated Meters Read On and After March 31, 2009 July 30, 2009

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9230

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION																					
40-RGV-IS-PubA	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE 40</p> <p>PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. TERRITORY All customers in the incorporated areas served by the Company in its Rio Grande Valley Service Area. COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter per month of \$30.00 plus - All Ccf @ \$.15741 per Ccf OTHER ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments: Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchises fees) related to above, see Rate Schedule 1B. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residences, hospitals, schools, churches, and other human needs customers as prioritized in the Company's approved Curtailment Program. Supersedes Same Sheet Dated Meters Read On and After September 25, 2001 July 31, 2006</p>																					
IRA-RGV-IS-IRAadj	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE IRA INTERIM RATE ADJUSTMENT TARIFF 2006 and 2007 A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the incorporated areas of Rio Grande Valley Service Area. Applicable rate schedules include 10, 20, 30, 40, T-1 and T-2. B. BILLING The following Interim Rate Adjustments (IRA-2006 and IRA-2007) will be added to the applicable Rate Schedule Customer Charge for each monthly billing period:</p> <table border="1"> <thead> <tr> <th>Rate Schedule</th> <th>Customer Class</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td>IRA-2006</td> <td>10 Residential</td> <td>\$ 0.36</td> </tr> <tr> <td>IRA-2006</td> <td>20 Commercial and Church</td> <td>\$ 3.92</td> </tr> <tr> <td>IRA-2006</td> <td>30 Industrial</td> <td>\$ 5.90</td> </tr> <tr> <td>IRA-2006</td> <td>40 Public Authority</td> <td>\$ 3.53</td> </tr> <tr> <td>IRA-2006</td> <td>T-1 and T-2 Transportation</td> <td>\$ 47.35</td> </tr> <tr> <td>IRA-2007</td> <td>All applicable fees and taxes will be added to the above rate.</td> <td>\$ 30.47</td> </tr> </tbody> </table> <p>Supersedes Same Sheet Dated Meters Read On and After December 29, 2008 (IRA-2007 Effective Only for February 12, 2009 Cities of La Villa, Palm Valley, Progreso and Santa Rosa)</p>	Rate Schedule	Customer Class	Charge	IRA-2006	10 Residential	\$ 0.36	IRA-2006	20 Commercial and Church	\$ 3.92	IRA-2006	30 Industrial	\$ 5.90	IRA-2006	40 Public Authority	\$ 3.53	IRA-2006	T-1 and T-2 Transportation	\$ 47.35	IRA-2007	All applicable fees and taxes will be added to the above rate.	\$ 30.47
Rate Schedule	Customer Class	Charge																				
IRA-2006	10 Residential	\$ 0.36																				
IRA-2006	20 Commercial and Church	\$ 3.92																				
IRA-2006	30 Industrial	\$ 5.90																				
IRA-2006	40 Public Authority	\$ 3.53																				
IRA-2006	T-1 and T-2 Transportation	\$ 47.35																				
IRA-2007	All applicable fees and taxes will be added to the above rate.	\$ 30.47																				
ORD-IRA-RGV-IS	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE ORD-IRA CITY ORDINANCE LISTING FOR INTERIM RATE ADJUSTMENT APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San</p>																					

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9230

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Benito, San Juan, Santa Rosa and Weslaco, Texas. DESCRIPTION Per TGS Interim Rate Adjustment filed 6/26/07, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: IRA - 2006 City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules La Villa* 08-08-07 08/08/07 10/14/07 Palm Valley* No Action Via Operation of Law 8/30/07 10/14/07 Palmhurst* 08-21-07-Texas Gas Service 08/21/07 10/14/07 Rio Hondo* No Action Via Operation of Law 8/30/07 10/14/07 Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, San Benito, San Juan, Santa Rosa and Weslaco Settlement Agreement 10/02/07 10/02/07 10/14/07 *Company agreed to adjustments relating to the 2006 Interim Rate Adjustment on 10/2/2007. The Company chose to implement revised Rate Schedule IRA in the Cities of La Villa, Palm Valley, Palmhurst and Rio Hondo effective October 14, 2007. Filed revised IRA Rate Schedule with these cities October 11, 2007. These Cities were previously on Rate Schedule IRA dated Meters Read On and After August 30, 2007. Per TGS Interim Rate Adjustment filed 10/30/2008, the following cities approved the same Interim Rate Adjustment rates for both gas sales and standard transport. City approvals are as follows: IRA - 2007 City Ordinance # Date Ordinance Passed Effective Date IRA Rate Schedules La Villa** No Action Via Operation of Law 12/29/08 2/12/09 Palm Valley** No Action Via Operation of Law 12/29/08 2/12/09 Progreso** No Action Via Operation of Law 12/29/08 2/12/09 Santa Rosa** No Action Via Operation of Law 12/29/08 2/12/09 Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, and Weslaco Settlement Agreement 2/2/09 2/12/09 **Company agreed to adjustments relating to the 2007 Interim Rate Adjustment on 2/2/2009. The Company chose to implement revised Rate Schedule IRA in the Cities of La Villa, Palm Valley, Progreso and Santa Rosa effective February 12, 2009. Filed revised IRA Rate Schedule with these cities February 12, 2009. These Cities were previously on Rate Schedule IRA dated Meters Read On and After December 29, 2008. Initial (Revised February 12, 2009)

ORD-RGV-IS

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area
 RATE SCHEDULE ORD-RGV CITY ORDINANCE LISTING
 APPLICABILITY Applicable to all gas sales and standard transport customers.
 TERRITORY All customers in the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa and Weslaco, Texas.
 DESCRIPTION Per TGS rate case filed 3/30/06, the following cities approved the same Cost of Gas Clause, Weather Normalization Clause, T-Gen and Cost of Service rates for both gas sales and standard transport. City approvals are as follows:
 City Ordinance # Date Ordinance Passed Effective Date of Gas Sales and Standard Transport Rate Schedules Alamo 14-07-06 7/18/06 7/31/06 Alton 2006-13 7/18/06 7/31/06 Brownsville 2006-1461 8/1/06 7/31/06 Combes 2006-1 7/24/06 7/31/06 Donna A-2006-07-09 8/8/06 7/31/06 Edcouch 2006-11 8/8/06 7/31/06 Edinburg 06-3105 7/18/06 7/31/06 Elsa 06-07 7/18/06 7/31/06 Harlingen 06-47 8/1/06 7/31/06 Hidalgo 2006-08 7/25/06 7/31/06 La Feria 2006-08 7/25/06 7/31/06 La Joya 2006-07 8/8/06 7/31/06 La Villa 09-18-06 09/18/06 7/31/06 Laguna Vista 2006-13 8/8/06 7/31/06 Los Fresnos 354

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9230

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

7/18/06 7/31/06 Lyford 06-08-14 8/14/06 7/31/06 McAllen 2006-81 8/7/06 7/31/06
Mercedes 2006-10 8/8/06 7/31/06 Mission 3143 7/24/06 7/31/06 Palm Valley 2006-1
7/17/06 7/31/06 Palmview 2006-01 7/18/06 7/31/06 Penitas 2006-07 8/2/06 7/31/06
Pharr 2006-37 7/18/06 7/31/06 Port Isabel 668 8/8/06 7/31/06 Primera 2006-05
7/27/06 7/31/06 Progreso 06-09-22-081 9/27/06 7/31/06 Rancho Viejo 160 8/8/06
7/31/06 Raymondville 1106 7/25/06 7/31/06 Rio Hondo 357 7/25/06 7/31/06 San Benito
2374 7/25/06 7/31/06 San Juan 0-06-05 7/25/06 7/31/06 Santa Rosa 2006-03 7/31/06
7/31/06 Weslaco 2006-22 8/1/06 7/31/06 Initial July 31, 2006

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)
the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each

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operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNA RGV-IS

TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas served in Rio Grande Valley Service Area: 10, 20, and 40. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate

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schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD} \times \text{CV}$$
 where $\text{WNAD} = \text{Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: } \text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate, where } \text{HDD Diff} = (\text{Normal HDD} - \text{Actual HDD}), \text{ the difference between normal and actual heating degree days for the billing period. } \text{CB} = \text{Number of customers billed for the billing period. } \text{WF} = \text{Weather factor determined for each rate schedule in the most recent rate case. } \text{CV} = \text{Current Volumes for the billing period.}$
 D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial Rate Meters Read On and After July 31, 2006

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>
27069	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMHURST - INC (RGV SVC AREA)			
8911	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALAMO - INC (RGV SVC AREA)			
8912	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALTON - INC (RGV SVC AREA)			
8913	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BAYVIEW - INC (RGV SVC AREA)			
8914	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - INC (RGV SVC AREA)			
8915	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	COMBES - INC (RGV SVC AREA)			
8916	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	DONNA - INC (RGV SVC AREA)			
8917	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDCOUCH - INC (RGV SVC AREA)			
8918	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDINBURG - INC (RGV SVC AREA)			
8919	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ELSA - INC (RGV SVC AREA)			
8920	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HARLINGEN - INC (RGV SVC AREA)			
8921	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HIDALGO - INC (RGV SVC AREA)			
8922	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA FERIA - INC (RGV SVC AREA)			
8923	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA JOYA - INC (RGV SVC AREA)			
8924	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA VILLA - INC (RGV SVC AREA)			
8925	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - INC (RGV SVC AREA)			
8926	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - INC (RGV SVC AREA)			

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CUSTOMERS				
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8927	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LYFORD - INC (RGV SVC AREA)			
8928	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MCALLEN - INC (RGV SVC AREA)			
8929	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MERCEDES - INC (RGV SVC AREA)			
8930	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MISSION - INC (RGV SVC AREA)			
8931	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - INC (RGV SVC AREA)			
8932	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMVIEW - INC (RGV SVC AREA)			
8933	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PENITAS - INC (RGV SVC AREA)			
8934	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PHARR - INC (RGV SVC AREA)			
8935	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -INC (RGV SVC AREA)			
8936	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PRIMERA - INC (RGV SVC AREA)			
8937	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PROGRESSO - INC (RGV SVC AREA)			
8938	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - INC (RGV SVC AREA)			
8939	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - INC (RGV SVC AREA)			
8940	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RIO HONDO - INC (RGV SVC AREA)			
8941	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN BENITO - INC (RGV SVC AREA)			
8942	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN JUAN - INC (RGV SVC AREA)			
8943	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - INC (RGV SVC AREA)			

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8944	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	WESLACO - INC (RGV SVC AREA)			
8911	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALAMO - INC (RGV SVC AREA)			
8912	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALTON - INC (RGV SVC AREA)			
8913	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BAYVIEW - INC (RGV SVC AREA)			
8914	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - INC (RGV SVC AREA)			
8915	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	COMBES - INC (RGV SVC AREA)			
8916	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	DONNA - INC (RGV SVC AREA)			
8917	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDCOUCH - INC (RGV SVC AREA)			
8918	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDINBURG - INC (RGV SVC AREA)			
8919	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ELSA - INC (RGV SVC AREA)			
8920	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HARLINGEN - INC (RGV SVC AREA)			
8921	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HIDALGO - INC (RGV SVC AREA)			
8922	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA FERIA - INC (RGV SVC AREA)			
8923	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA JOYA - INC (RGV SVC AREA)			
8924	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA VILLA - INC (RGV SVC AREA)			
8925	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - INC (RGV SVC AREA)			
8926	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - INC (RGV SVC AREA)			

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8927	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LYFORD - INC (RGV SVC AREA)			
8928	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MCALLEN - INC (RGV SVC AREA)			
8929	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MERCEDES - INC (RGV SVC AREA)			
8930	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MISSION - INC (RGV SVC AREA)			
8931	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - INC (RGV SVC AREA)			
8932	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMVIEW - INC (RGV SVC AREA)			
8933	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PENITAS - INC (RGV SVC AREA)			
8934	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PHARR - INC (RGV SVC AREA)			
8935	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -INC (RGV SVC AREA)			
8936	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PRIMERA - INC (RGV SVC AREA)			
8937	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PROGRESSO - INC (RGV SVC AREA)			
8938	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - INC (RGV SVC AREA)			
8939	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - INC (RGV SVC AREA)			
8940	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RIO HONDO - INC (RGV SVC AREA)			
8941	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN BENITO - INC (RGV SVC AREA)			
8942	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN JUAN - INC (RGV SVC AREA)			
8943	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - INC (RGV SVC AREA)			

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CUSTOMERS

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<u>CUSTOMER NAME</u> WESLACO - INC (RGV SVC AREA)				
27069	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u> PALMHURST - INC (RGV SVC AREA)				

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See ORD-IRA-RGV-IS& ORD-RGV-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate 1B-RGV-IS-FrGrTx revised to reflect increase in the franchise rate for the City of Lyford eff. 07/30/09, per the Lyford Ordinance No. 09-03-23

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u> 40_Public Authority Sales_Rio Grande Valley Svc Area - Incorporated areas	

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/15/2009 ORIGINAL CONTRACT DATE: 07/15/2009 RECEIVED DATE: 08/10/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-ENV-RGV-OS-COG	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE NO. 1-ENV</p> <p>COST OF GAS CLAUSE</p> <p>A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in its unincorporated areas in the Rio Grande Valley Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component and related fees and taxes, if applicable and other purchased gas expenses.</p> <p>2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p> <p>3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include the value of gas withdrawn from storage and shall include gains or losses from the utilization of natural gas financial instruments which are executed by the Company in an effort to mitigate price volatility.</p> <p>4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.</p> <p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount accrued during the period for imbalances under the</p>

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transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes received into the distribution system during the twelve (12) month period ending June 30 by the sum of the volumes delivered off the distribution system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

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

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. INTEREST ON FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding

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over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly.

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account.

Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above.

G. SALE OF EXCESS GAS SUPPLY

For the purposes of this section, Excess Gas Sales shall mean the gas sold by the Company in excess of the gas utilized to provide natural gas sales pursuant to this Rate Schedule. Excess Gas Sales Margin shall mean the annual difference for the twelve month period ending July 31 between the revenues received from Excess Gas Sales and the cost of the Excess Gas purchased, plus any cost related to the delivery or processing of the gas to the custody transfer point of sale beyond the RGV distribution system. Annually, the Company shall reimburse the Cities served under this Rate Schedule up to a total of \$5,000 for the cost of reviewing the calculation of profits and losses attributable to Excess Gas Sales. This \$5,000 shall be deducted from the annual Excess Gas Sales Margin prior to the allocation between the Company and ratepayers. For any one-year period (August 1-July 31), the Company shall record the first \$235,543 in Excess Gas Sales Margin in F.E.R.C. Account 489.3. The \$235,543 reimburses the rate payers for all costs associated with transporting excess gas across the RGV distribution system. Any Excess Gas Sales Margin exceeding \$240,543 shall be allocated between the Company and ratepayers at the conclusion of the one-year period, with 65% going to the Company without further obligation to refund or credit, in any form, such revenue to its customers and 35% credited to customers. The Excess Gas Sales Margin allocated to ratepayers shall be credited to ratepayers through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from Excess Gas Sales and no such annual losses shall be paid by the ratepayers.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9232

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.
5. A calculation of the net margin on sales of excess gas for the reconciliation period, and the amount allocated to customers.
6. A summary of all gains and losses due to the use of financial instruments during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated
 Meters Read On and After
 July 25, 2002
 April 30, 2007

1Z-RGV-OS-Res

TEXAS GAS SERVICE COMPANY
 Rio Grande Valley Service Area
 RATE SCHEDULE 1Z
 RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, or nursing homes, for domestic purposes.

TERRITORY

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9232

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

All customers in the unincorporated areas served by the Company in its Rio Grande Valley Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month of \$9.50 plus -

All Ccf @ \$.16354 per Ccf

OTHER ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments:

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-ENV.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Interim Rate Adjustment: The basic rates for cost of service set forth above shall be adjusted to include the amount of the Interim Rate Adjustment in accordance with the provisions of Rate Schedule IRA-ENV.

Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

Subject in all respects to applicable laws, rules, and regulations from time to time in effect.

Supersedes Same Sheet Dated Meters Read On and After
April 30, 2007 July 15, 2009

IRA-ENV-RGV-OS-IRAdj

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE IRA-ENV
INTERIM RATE ADJUSTMENT TARIFF 2006 and 2007

A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the unincorporated areas of Rio Grande Valley Service Area. Applicable rate schedules include 1Z, 2Z, 3Z, 4Z, T-1 and T-2.

B. BILLING The following Interim Rate Adjustments (IRA-2006 and IRA-2007) will be added to the applicable Rate Schedule Customer Charge for each monthly billing period:

Rate Schedule	Customer Class	Current Customer Chg	2006 Interim Rate Adj
2007 Interim Rate Adj	Total		
1Z	Residential		\$9.50
		\$.58	\$10.44
2Z	Commercial		\$25.00

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>		
\$3.92		\$2.33	\$31.25
3Z	Industrial		\$50
\$10.95		\$5.90	\$66.85
4Z	Public Authority		\$30
\$3.53		\$2.18	\$35.71
T-1	T-1 Transportation		\$50
\$47.35		\$30.47	\$127.82
T-2	T-2 Transportation		\$250
\$47.35		\$30.47	\$327.82
	Docket numbers		9708
9800	9871		

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated July 31, 2008 Meters Read On and After July 15, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is

GAS SERVICES DIVISION

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNA RGV-OS

TEXAS GAS SERVICE COMPANY
 Rio Grande Valley Service Area
 RATE SCHEDULE WNA
 WEATHER NORMALIZATION ADJUSTMENT CLAUSE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9232

RATE SCHEDULESCHEDULE IDDESCRIPTION

A. APPLICABILITY

The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas served in Rio Grande Valley Service Area: 10, 20, and 40 as well as general service rate schedules 1Z, 2Z and 4Z for the unincorporated areas. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE

The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM

In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule.

The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \frac{\text{WNAD}}{\text{CV}}, \quad \text{where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate}, \quad \text{where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case.

CV = Current Volumes for the billing period.

D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds.

GAS SERVICES DIVISION
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TARIFF CODE: DS RRC TARIFF NO: 9232

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
	Initial Rate	Meters
	Read On and After	
	2006 (Incorporated)	July 31,
	2007 (Unincorporated)	April 30,

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 9232

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8946	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALTON - ENV (RGV SVC AREA)			
27074	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMHURST - ENV (RGV SVC AREA)			
8945	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALAMO - ENV (RGV SVC AREA)			
8947	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BAYVIEW - ENV (RGV SVC AREA)			
8948	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - ENV (RGV SVC AREA)			
8949	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	COMBES - ENV (RGV SVC AREA)			
8950	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	DONNA - ENV (RGV SVC AREA)			
8951	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDCOUCH - ENV (RGV SVC AREA)			
8952	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDINBURG - ENV (RGV SVC AREA)			
8953	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ELSA - ENV (RGV SVC AREA)			
8954	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HARLINGEN - ENV (RGV SVC AREA)			
8955	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HIDALGO - ENV (RGV SVC AREA)			
8956	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	JIM HOGG - ENV (RGV SVC AREA)			
8957	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA FERIA - ENV (RGV SVC AREA)			
8958	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA JOYA - ENV (RGV SVC AREA)			
8959	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA VILLA - ENV (RGV SVC AREA)			
8960	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA HEIGHTS - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9232

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8961	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - ENV (RGV SVC AREA)			
8962	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - ENV (RGV SVC AREA)			
8963	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LYFORD - ENV (RGV SVC AREA)			
8964	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MCALLEN - ENV (RGV SVC AREA)			
8965	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MERCEDES - ENV (RGV SVC AREA)			
8966	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MISSION - ENV (RGV SVC AREA)			
8967	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MONTE ALTO - ENV (RGV SVC AREA)			
8968	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	OLMITO - ENV (RGV SVC AREA)			
8969	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - ENV (RGV SVC AREA)			
8970	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMVIEW - ENV (RGV SVC AREA)			
8971	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PENITAS - ENV (RGV SVC AREA)			
8972	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PHARR - ENV (RGV SVC AREA)			
8973	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PORT ISABEL - ENV (RGV SVC AREA)			
8974	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PRIMERA - ENV (RGV SVC AREA)			
8975	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PROGRESSO - ENV (RGV SVC AREA)			
8976	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - ENV (RGV SVC AREA)			
8977	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - ENV (RGV SVC AREA)			

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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>
8978	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RIO HONDO - ENV (RGV SVC AREA)			
8979	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN BENITO - ENV (RGV SVC AREA)			
8980	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN CARLOS - ENV (RGV SVC AREA)			
8981	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN JUAN - ENV (RGV SVC AREA)			
8982	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - ENV (RGV SVC AREA)			
8983	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	STARR - ENV (RGV SVC AREA)			
8984	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	WESLACO - ENV (RGV SVC AREA)			
8945	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALAMO - ENV (RGV SVC AREA)			
8946	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALTON - ENV (RGV SVC AREA)			
8947	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BAYVIEW - ENV (RGV SVC AREA)			
8948	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - ENV (RGV SVC AREA)			
8949	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	COMBES - ENV (RGV SVC AREA)			
8950	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	DONNA - ENV (RGV SVC AREA)			
8951	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDCOUCH - ENV (RGV SVC AREA)			
8952	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDINBURG - ENV (RGV SVC AREA)			
8953	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ELSA - ENV (RGV SVC AREA)			
8954	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HARLINGEN - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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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>
8955	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HIDALGO - ENV (RGV SVC AREA)			
8956	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	JIM HOGG - ENV (RGV SVC AREA)			
8957	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA FERIA - ENV (RGV SVC AREA)			
8958	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA JOYA - ENV (RGV SVC AREA)			
8959	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA VILLA - ENV (RGV SVC AREA)			
8960	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA HEIGHTS - ENV (RGV SVC AREA)			
8961	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - ENV (RGV SVC AREA)			
8962	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - ENV (RGV SVC AREA)			
8963	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LYFORD - ENV (RGV SVC AREA)			
8964	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MCALLEN - ENV (RGV SVC AREA)			
8965	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MERCEDES - ENV (RGV SVC AREA)			
8966	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MISSION - ENV (RGV SVC AREA)			
8967	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MONTE ALTO - ENV (RGV SVC AREA)			
8968	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	OLMITO - ENV (RGV SVC AREA)			
8969	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - ENV (RGV SVC AREA)			
8970	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMVIEW - ENV (RGV SVC AREA)			
8971	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PENITAS - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9232

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8972	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PHARR - ENV (RGV SVC AREA)			
8973	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -ENV (RGV SVC AREA)			
8974	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PRIMERA - ENV (RGV SVC AREA)			
8975	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PROGRESSO - ENV (RGV SVC AREA)			
8976	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - ENV (RGV SVC AREA)			
8977	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - ENV (RGV SVC AREA)			
8978	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RIO HONDO - ENV (RGV SVC AREA)			
8979	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN BENITO - ENV (RGV SVC AREA)			
8980	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN CARLOS - ENV (RGV SVC AREA)			
8981	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN JUAN - ENV (RGV SVC AREA)			
8982	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - ENV (RGV SVC AREA)			
8983	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	STARR - ENV (RGV SVC AREA)			
8984	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	WESLACO - ENV (RGV SVC AREA)			
27074	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMHURST - ENV (RGV SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9800 & 9871 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Interim Rate Adjustment filed 5/1/09 apprvd per RRC GUD 9871billed & eff. 07/15/09. Added IRA language to rate schedule 'Other Adjustments' section.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9232

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 1Z_Residential Sales_Rio Grande Valley Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/15/2009 ORIGINAL CONTRACT DATE: 07/15/2009 RECEIVED DATE: 08/10/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-ENV-RGV-OS-COG	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE NO. 1-ENV</p> <p>COST OF GAS CLAUSE</p> <p>A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in its unincorporated areas in the Rio Grande Valley Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component and related fees and taxes, if applicable and other purchased gas expenses.</p> <p>2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p> <p>3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include the value of gas withdrawn from storage and shall include gains or losses from the utilization of natural gas financial instruments which are executed by the Company in an effort to mitigate price volatility.</p> <p>4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.</p> <p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount accrued during the period for imbalances under the</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 9236

RATE SCHEDULESCHEDULE IDDESCRIPTION

transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes received into the distribution system during the twelve (12) month period ending June 30 by the sum of the volumes delivered off the distribution system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

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

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. INTEREST ON FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly.

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account.

Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above.

G. SALE OF EXCESS GAS SUPPLY

For the purposes of this section, Excess Gas Sales shall mean the gas sold by the Company in excess of the gas utilized to provide natural gas sales pursuant to this Rate Schedule. Excess Gas Sales Margin shall mean the annual difference for the twelve month period ending July 31 between the revenues received from Excess Gas Sales and the cost of the Excess Gas purchased, plus any cost related to the delivery or processing of the gas to the custody transfer point of sale beyond the RGV distribution system. Annually, the Company shall reimburse the Cities served under this Rate Schedule up to a total of \$5,000 for the cost of reviewing the calculation of profits and losses attributable to Excess Gas Sales. This \$5,000 shall be deducted from the annual Excess Gas Sales Margin prior to the allocation between the Company and ratepayers. For any one-year period (August 1-July 31), the Company shall record the first \$235,543 in Excess Gas Sales Margin in F.E.R.C. Account 489.3. The \$235,543 reimburses the rate payers for all costs associated with transporting excess gas across the RGV distribution system. Any Excess Gas Sales Margin exceeding \$240,543 shall be allocated between the Company and ratepayers at the conclusion of the one-year period, with 65% going to the Company without further obligation to refund or credit, in any form, such revenue to its customers and 35% credited to customers. The Excess Gas Sales Margin allocated to ratepayers shall be credited to ratepayers through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from Excess Gas Sales and no such annual losses shall be paid by the ratepayers.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

- 1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance.
5. A calculation of the net margin on sales of excess gas for the reconciliation period, and the amount allocated to customers.
6. A summary of all gains and losses due to the use of financial instruments during the reconciliation period.

Supersedes Same Sheet Dated
Meters Read On and After
July 25, 2002 April 30, 2007

2Z-RGV-OS-Com

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE 2Z
COMMERCIAL SERVICE RATE

APPLICABILITY Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule.

TERRITORY All customers in the unincorporated areas served by the Company in its Rio Grande Valley Service Area.

COST OF SERVICE RATE

RAILROAD COMMISSION OF TEXAS
 GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

During each monthly billing period:

A Customer Charge per meter per month of \$25.00 plus (For Commercial Service)

A Customer Charge per meter per month of \$12.50 plus (For Church Service)

All Ccf @ \$.14499 per Ccf

OTHER ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments:

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-ENV.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Interim Rate Adjustment: The basic rates for cost of service set forth above shall be adjusted to include the amount of the Interim Rate Adjustment in accordance with the provisions of Rate Schedule IRA-ENV. Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.

2. Delivery of Gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residences, hospitals, schools, churches, and other human needs customers as prioritized in the Company's approved Curtailment Program.

Supersedes Same Sheet Dated Meters Read On and After
 April 30, 2007 July 15, 2009

IRA-ENV-RGV-OS-IRAdj

TEXAS GAS SERVICE COMPANY
 Rio Grande Valley Service Area
 RATE SCHEDULE IRA-ENV
 INTERIM RATE ADJUSTMENT TARIFF 2006 and 2007

A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the unincorporated areas of Rio Grande Valley Service Area. Applicable rate schedules include 1Z, 2Z, 3Z, 4Z, T-1 and T-2.

B. BILLING The following Interim Rate Adjustments (IRA-2006 and IRA-2007) will be added to the applicable Rate Schedule Customer Charge for each monthly billing period:

Rate Schedule	Customer Class	Current Customer Chg	2006 Interim Rate Adj
2007 Interim Rate Adj	Total		
1Z	Residential		\$9.50

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION		
		\$0.36	\$10.44
\$0.58			
2Z	Commercial		\$25.00
\$3.92		\$2.33	\$31.25
3Z	Industrial		\$50
		\$5.90	\$66.85
\$10.95			
4Z	Public Authority		\$30
\$3.53		\$2.18	\$35.71
T-1	T-1 Transportation		\$50
\$47.35		\$30.47	\$127.82
T-2	T-2 Transportation		\$250
\$47.35		\$30.47	\$327.82
	Docket numbers		9708
9800	9871		

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated July 31, 2008 Meters Read On and After July 15, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all

GAS SERVICES DIVISION
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DESCRIPTION

customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

WNA RGV-OS

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

RATE SCHEDULESCHEDULE IDDESCRIPTION

RATE SCHEDULE WNA
WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY

The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas served in Rio Grande Valley Service Area: 10, 20, and 40 as well as general service rate schedules 1Z, 2Z and 4Z for the unincorporated areas. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE

The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM

In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \frac{\text{WNAD}}{\text{CV}}, \quad \text{where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate}, \quad \text{where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case.

CV = Current Volumes for the billing period.

D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Meters
 Read On and After

July 31,

2006 (Incorporated)

April 30,

2007 (Unincorporated)

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
27074	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMHURST - ENV (RGV SVC AREA)			
8945	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALAMO - ENV (RGV SVC AREA)			
8946	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALTON - ENV (RGV SVC AREA)			
8947	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BAYVIEW - ENV (RGV SVC AREA)			
8948	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - ENV (RGV SVC AREA)			
8949	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	COMBES - ENV (RGV SVC AREA)			
8950	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	DONNA - ENV (RGV SVC AREA)			
8951	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDCOUCH - ENV (RGV SVC AREA)			
8952	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDINBURG - ENV (RGV SVC AREA)			
8953	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ELSA - ENV (RGV SVC AREA)			
8954	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HARLINGEN - ENV (RGV SVC AREA)			
8955	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HIDALGO - ENV (RGV SVC AREA)			
8956	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	JIM HOGG - ENV (RGV SVC AREA)			
8957	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA FERIA - ENV (RGV SVC AREA)			
8958	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA JOYA - ENV (RGV SVC AREA)			
8959	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA VILLA - ENV (RGV SVC AREA)			
8960	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA HEIGHTS - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8961	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - ENV (RGV SVC AREA)			
8962	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - ENV (RGV SVC AREA)			
8963	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LYFORD - ENV (RGV SVC AREA)			
8964	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MCALLEN - ENV (RGV SVC AREA)			
8965	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MERCEDDES - ENV (RGV SVC AREA)			
8966	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MISSION - ENV (RGV SVC AREA)			
8967	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MONTE ALTO - ENV (RGV SVC AREA)			
8968	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	OLMITO - ENV (RGV SVC AREA)			
8969	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - ENV (RGV SVC AREA)			
8970	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMVIEW - ENV (RGV SVC AREA)			
8971	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PENITAS - ENV (RGV SVC AREA)			
8972	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PHARR - ENV (RGV SVC AREA)			
8973	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PORT ISABEL - ENV (RGV SVC AREA)			
8974	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PRIMERA - ENV (RGV SVC AREA)			
8975	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PROGRESSO - ENV (RGV SVC AREA)			
8976	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - ENV (RGV SVC AREA)			
8977	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8978	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RIO HONDO - ENV (RGV SVC AREA)			
8979	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN BENITO - ENV (RGV SVC AREA)			
8980	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN CARLOS - ENV (RGV SVC AREA)			
8981	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN JUAN - ENV (RGV SVC AREA)			
8982	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - ENV (RGV SVC AREA)			
8983	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	STARR - ENV (RGV SVC AREA)			
8984	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	WESLACO - ENV (RGV SVC AREA)			
8945	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALAMO - ENV (RGV SVC AREA)			
8946	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALTON - ENV (RGV SVC AREA)			
8947	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BAYVIEW - ENV (RGV SVC AREA)			
8948	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - ENV (RGV SVC AREA)			
8949	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	COMBES - ENV (RGV SVC AREA)			
8950	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	DONNA - ENV (RGV SVC AREA)			
8951	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDCOUCH - ENV (RGV SVC AREA)			
8952	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDINBURG - ENV (RGV SVC AREA)			
8953	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ELSA - ENV (RGV SVC AREA)			
8954	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HARLINGEN - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8955	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HIDALGO - ENV (RGV SVC AREA)			
8956	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	JIM HOGG - ENV (RGV SVC AREA)			
8957	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA FERIA - ENV (RGV SVC AREA)			
8958	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA JOYA - ENV (RGV SVC AREA)			
8959	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA VILLA - ENV (RGV SVC AREA)			
8960	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA HEIGHTS - ENV (RGV SVC AREA)			
8961	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - ENV (RGV SVC AREA)			
8962	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - ENV (RGV SVC AREA)			
8963	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LYFORD - ENV (RGV SVC AREA)			
8964	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MCALLEN - ENV (RGV SVC AREA)			
8965	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MERCEDES - ENV (RGV SVC AREA)			
8966	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MISSION - ENV (RGV SVC AREA)			
8967	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MONTE ALTO - ENV (RGV SVC AREA)			
8968	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	OLMITO - ENV (RGV SVC AREA)			
8969	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - ENV (RGV SVC AREA)			
8970	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMVIEW - ENV (RGV SVC AREA)			
8971	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PENITAS - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8972	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PHARR - ENV (RGV SVC AREA)			
8973	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -ENV (RGV SVC AREA)			
8974	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PRIMERA - ENV (RGV SVC AREA)			
8975	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PROGRESSO - ENV (RGV SVC AREA)			
8976	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - ENV (RGV SVC AREA)			
8977	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - ENV (RGV SVC AREA)			
8978	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RIO HONDO - ENV (RGV SVC AREA)			
8979	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN BENITO - ENV (RGV SVC AREA)			
8980	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN CARLOS - ENV (RGV SVC AREA)			
8981	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN JUAN - ENV (RGV SVC AREA)			
8982	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - ENV (RGV SVC AREA)			
8983	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	STARR - ENV (RGV SVC AREA)			
8984	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	WESLACO - ENV (RGV SVC AREA)			
27074	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMHURST - ENV (RGV SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9800 & 9871 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Interim Rate Adjustment filed 5/1/09 apprvd per RRC GUD 9871billed & eff. 07/15/09. Added IRA language to rate schedule 'Other Adjustments' section.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9236

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 2Z_Commercial Sales_Rio Grande Valley Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/15/2009 ORIGINAL CONTRACT DATE: 07/15/2009 RECEIVED DATE: 08/10/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-ENV-RGV-OS-COG	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE NO. 1-ENV</p> <p>COST OF GAS CLAUSE</p> <p>A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in its unincorporated areas in the Rio Grande Valley Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component and related fees and taxes, if applicable and other purchased gas expenses.</p> <p>2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p> <p>3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include the value of gas withdrawn from storage and shall include gains or losses from the utilization of natural gas financial instruments which are executed by the Company in an effort to mitigate price volatility.</p> <p>4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.</p> <p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount accrued during the period for imbalances under the</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

RATE SCHEDULESCHEDULE IDDESCRIPTION

transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes received into the distribution system during the twelve (12) month period ending June 30 by the sum of the volumes delivered off the distribution system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

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

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. INTEREST ON FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

RATE SCHEDULESCHEDULE IDDESCRIPTION

over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly.

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account.

Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above.

G. SALE OF EXCESS GAS SUPPLY

For the purposes of this section, Excess Gas Sales shall mean the gas sold by the Company in excess of the gas utilized to provide natural gas sales pursuant to this Rate Schedule. Excess Gas Sales Margin shall mean the annual difference for the twelve month period ending July 31 between the revenues received from Excess Gas Sales and the cost of the Excess Gas purchased, plus any cost related to the delivery or processing of the gas to the custody transfer point of sale beyond the RGV distribution system. Annually, the Company shall reimburse the Cities served under this Rate Schedule up to a total of \$5,000 for the cost of reviewing the calculation of profits and losses attributable to Excess Gas Sales. This \$5,000 shall be deducted from the annual Excess Gas Sales Margin prior to the allocation between the Company and ratepayers. For any one-year period (August 1-July 31), the Company shall record the first \$235,543 in Excess Gas Sales Margin in F.E.R.C. Account 489.3. The \$235,543 reimburses the rate payers for all costs associated with transporting excess gas across the RGV distribution system. Any Excess Gas Sales Margin exceeding \$240,543 shall be allocated between the Company and ratepayers at the conclusion of the one-year period, with 65% going to the Company without further obligation to refund or credit, in any form, such revenue to its customers and 35% credited to customers. The Excess Gas Sales Margin allocated to ratepayers shall be credited to ratepayers through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from Excess Gas Sales and no such annual losses shall be paid by the ratepayers.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.
5. A calculation of the net margin on sales of excess gas for the reconciliation period, and the amount allocated to customers.
6. A summary of all gains and losses due to the use of financial instruments during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated
 Meters Read On and After
 July 25, 2002
 April 30, 2007

3Z-RGV-OS-Ind

TEXAS GAS SERVICE COMPANY
 Rio Grande Valley Service Area
 RATE SCHEDULE 3Z
 INDUSTRIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Divisions E and J - Utility and Government - facilities generating power for resale only

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

TERRITORY

All customers in the unincorporated areas served by the Company in its Rio Grande Valley Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month of \$50.00 plus -
All Ccf @ \$.14335 per Ccf

OTHER ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments:

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-ENV.

Interim Rate Adjustment: The basic rates for cost of service set forth above shall be adjusted to include the amount of the Interim Rate Adjustment in accordance with the provisions of Rate Schedule IRA-ENV.

Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.

2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residences, hospitals, schools, churches, and other human needs customers as prioritized in the Company's approved Curtailment Program.

Supersedes Same Sheet Dated	Meters Read On and After
April 30, 2007	July
15, 2009	

IRA-ENV-RGV-OS-IRAdj

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE IRA-ENV
INTERIM RATE ADJUSTMENT TARIFF 2006 and 2007

A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the unincorporated areas of Rio Grande Valley Service Area. Applicable rate schedules include 1Z, 2Z, 3Z, 4Z, T-1 and T-2.

B. BILLING The following Interim Rate Adjustments (IRA-2006 and IRA-2007) will be added to the applicable Rate Schedule Customer Charge for each monthly billing

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RATE SCHEDULE

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DESCRIPTION

period:

Rate Schedule	Customer Class	Current Customer	Customer Chg	2006 Interim Rate	Adj
2007 Interim Rate	Adj	Total			
1Z	Residential			\$9.50	
\$.58		\$0.36		\$10.44	
2Z	Commercial			\$25.00	
\$3.92		\$2.33		\$31.25	
3Z	Industrial			\$50	
\$10.95		\$5.90		\$66.85	
4Z	Public Authority			\$30	
\$3.53		\$2.18		\$35.71	
T-1	T-1 Transportation			\$50	
\$47.35		\$30.47		\$127.82	
T-2	T-2 Transportation			\$250	
\$47.35		\$30.47		\$327.82	
	Docket numbers			9708	
9800	9871				

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated July 31, 2008 Meters Read On and After July 15, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the

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DESCRIPTION

pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

WNA RGV-OS

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE WNA
WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY

The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas served in Rio Grande Valley Service Area: 10, 20, and 40 as well as general service rate schedules 1Z, 2Z and 4Z for the unincorporated areas. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE

The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM

In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule.

The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD} \cdot \text{CV} \quad \text{where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} \cdot \text{CB} \cdot \text{WF}) \cdot \text{COS rate, where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case.

CV = Current Volumes for the billing period.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate	Meters
Read On and After	
2006 (Incorporated)	July 31,
2007 (Unincorporated)	April 30,

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
27074	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMHURST - ENV (RGV SVC AREA)			
8945	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALAMO - ENV (RGV SVC AREA)			
8946	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALTON - ENV (RGV SVC AREA)			
8947	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BAYVIEW - ENV (RGV SVC AREA)			
8948	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - ENV (RGV SVC AREA)			
8949	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	COMBES - ENV (RGV SVC AREA)			
8950	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	DONNA - ENV (RGV SVC AREA)			
8951	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDCOUCH - ENV (RGV SVC AREA)			
8952	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDINBURG - ENV (RGV SVC AREA)			
8953	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ELSA - ENV (RGV SVC AREA)			
8954	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HARLINGEN - ENV (RGV SVC AREA)			
8955	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HIDALGO - ENV (RGV SVC AREA)			
8956	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	JIM HOGG - ENV (RGV SVC AREA)			
8957	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA FERIA - ENV (RGV SVC AREA)			
8958	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA JOYA - ENV (RGV SVC AREA)			
8959	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA VILLA - ENV (RGV SVC AREA)			
8960	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA HEIGHTS - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8961	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - ENV (RGV SVC AREA)			
8962	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - ENV (RGV SVC AREA)			
8963	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LYFORD - ENV (RGV SVC AREA)			
8964	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MCALLEN - ENV (RGV SVC AREA)			
8965	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MERCEDDES - ENV (RGV SVC AREA)			
8966	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MISSION - ENV (RGV SVC AREA)			
8967	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MONTE ALTO - ENV (RGV SVC AREA)			
8968	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	OLMITO - ENV (RGV SVC AREA)			
8969	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - ENV (RGV SVC AREA)			
8970	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMVIEW - ENV (RGV SVC AREA)			
8971	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PENITAS - ENV (RGV SVC AREA)			
8972	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PHARR - ENV (RGV SVC AREA)			
8973	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PORT ISABEL - ENV (RGV SVC AREA)			
8974	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PRIMERA - ENV (RGV SVC AREA)			
8975	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PROGRESSO - ENV (RGV SVC AREA)			
8976	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - ENV (RGV SVC AREA)			
8977	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8978	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RIO HONDO - ENV (RGV SVC AREA)			
8979	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN BENITO - ENV (RGV SVC AREA)			
8980	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN CARLOS - ENV (RGV SVC AREA)			
8981	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN JUAN - ENV (RGV SVC AREA)			
8982	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - ENV (RGV SVC AREA)			
8983	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	STARR - ENV (RGV SVC AREA)			
8984	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	WESLACO - ENV (RGV SVC AREA)			
8945	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALAMO - ENV (RGV SVC AREA)			
8946	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALTON - ENV (RGV SVC AREA)			
8947	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BAYVIEW - ENV (RGV SVC AREA)			
8948	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - ENV (RGV SVC AREA)			
8949	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	COMBES - ENV (RGV SVC AREA)			
8950	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	DONNA - ENV (RGV SVC AREA)			
8951	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDCOUCH - ENV (RGV SVC AREA)			
8952	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDINBURG - ENV (RGV SVC AREA)			
8953	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ELSA - ENV (RGV SVC AREA)			
8954	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HARLINGEN - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8955	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HIDALGO - ENV (RGV SVC AREA)			
8956	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	JIM HOGG - ENV (RGV SVC AREA)			
8957	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA FERIA - ENV (RGV SVC AREA)			
8958	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA JOYA - ENV (RGV SVC AREA)			
8959	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA VILLA - ENV (RGV SVC AREA)			
8960	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA HEIGHTS - ENV (RGV SVC AREA)			
8961	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - ENV (RGV SVC AREA)			
8962	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - ENV (RGV SVC AREA)			
8963	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LYFORD - ENV (RGV SVC AREA)			
8964	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MCALLEN - ENV (RGV SVC AREA)			
8965	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MERCEDES - ENV (RGV SVC AREA)			
8966	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MISSION - ENV (RGV SVC AREA)			
8967	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MONTE ALTO - ENV (RGV SVC AREA)			
8968	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	OLMITO - ENV (RGV SVC AREA)			
8969	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - ENV (RGV SVC AREA)			
8970	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMVIEW - ENV (RGV SVC AREA)			
8971	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PENITAS - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8972	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PHARR - ENV (RGV SVC AREA)			
8973	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -ENV (RGV SVC AREA)			
8974	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PRIMERA - ENV (RGV SVC AREA)			
8975	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PROGRESSO - ENV (RGV SVC AREA)			
8976	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - ENV (RGV SVC AREA)			
8977	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - ENV (RGV SVC AREA)			
8978	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RIO HONDO - ENV (RGV SVC AREA)			
8979	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN BENITO - ENV (RGV SVC AREA)			
8980	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN CARLOS - ENV (RGV SVC AREA)			
8981	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN JUAN - ENV (RGV SVC AREA)			
8982	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - ENV (RGV SVC AREA)			
8983	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	STARR - ENV (RGV SVC AREA)			
8984	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	WESLACO - ENV (RGV SVC AREA)			
27074	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMHURST - ENV (RGV SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9800 & 9871 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Interim Rate Adjustment filed 5/1/09 apprvd per RRC GUD 9871billed & eff. 07/15/09. Added IRA language to rate schedule 'Other Adjustments' section.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9238

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 3Z_Industrial Sales_Rio Grande Valley Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9241

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 07/15/2009 ORIGINAL CONTRACT DATE: 07/15/2009 RECEIVED DATE: 08/10/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-ENV-RGV-OS-COG	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE NO. 1-ENV</p> <p>COST OF GAS CLAUSE</p> <p>A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in its unincorporated areas in the Rio Grande Valley Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component and related fees and taxes, if applicable and other purchased gas expenses.</p> <p>2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p> <p>3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include the value of gas withdrawn from storage and shall include gains or losses from the utilization of natural gas financial instruments which are executed by the Company in an effort to mitigate price volatility.</p> <p>4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.</p> <p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount accrued during the period for imbalances under the</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9241

RATE SCHEDULESCHEDULE IDDESCRIPTION

transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes received into the distribution system during the twelve (12) month period ending June 30 by the sum of the volumes delivered off the distribution system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

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

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. INTEREST ON FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9241

RATE SCHEDULESCHEDULE IDDESCRIPTION

over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly.

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account.

Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above.

G. SALE OF EXCESS GAS SUPPLY

For the purposes of this section, Excess Gas Sales shall mean the gas sold by the Company in excess of the gas utilized to provide natural gas sales pursuant to this Rate Schedule. Excess Gas Sales Margin shall mean the annual difference for the twelve month period ending July 31 between the revenues received from Excess Gas Sales and the cost of the Excess Gas purchased, plus any cost related to the delivery or processing of the gas to the custody transfer point of sale beyond the RGV distribution system. Annually, the Company shall reimburse the Cities served under this Rate Schedule up to a total of \$5,000 for the cost of reviewing the calculation of profits and losses attributable to Excess Gas Sales. This \$5,000 shall be deducted from the annual Excess Gas Sales Margin prior to the allocation between the Company and ratepayers. For any one-year period (August 1-July 31), the Company shall record the first \$235,543 in Excess Gas Sales Margin in F.E.R.C. Account 489.3. The \$235,543 reimburses the rate payers for all costs associated with transporting excess gas across the RGV distribution system. Any Excess Gas Sales Margin exceeding \$240,543 shall be allocated between the Company and ratepayers at the conclusion of the one-year period, with 65% going to the Company without further obligation to refund or credit, in any form, such revenue to its customers and 35% credited to customers. The Excess Gas Sales Margin allocated to ratepayers shall be credited to ratepayers through an adjustment of the Reconciliation Account as determined in the Annual Reconciliation filing. The Company shall be fully responsible for any aggregate annual net losses incurred from Excess Gas Sales and no such annual losses shall be paid by the ratepayers.

H. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the

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Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

I. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.
5. A calculation of the net margin on sales of excess gas for the reconciliation period, and the amount allocated to customers.
6. A summary of all gains and losses due to the use of financial instruments during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Same Sheet Dated
Meters Read On and After
July 25, 2002

April 30, 2007

4Z-RGV-OS-PubA

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE 4Z
PUBLIC AUTHORITY SERVICE RATE

APPLICABILITY

Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts.

TERRITORY

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All customers in the unincorporated areas served by the Company in its Rio Grande Valley Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month of \$30.00 plus -

All Ccf @ \$.15741 per Ccf

OTHER ADJUSTMENTS

In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments:

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-ENV.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Interim Rate Adjustment: The basic rates for cost of service set forth above shall be adjusted to include the amount of the Interim Rate Adjustment in accordance with the provisions of Rate Schedule IRA-ENV.

Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.

2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residences, hospitals, schools, churches, and other human needs customers as prioritized in the Company's approved Curtailment Program.

Supersedes Same Sheet Dated
April 30, 2007

Meters Read On and After
July 15, 2009

IRA-ENV-RGV-OS-IRAdj

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE IRA-ENV
INTERIM RATE ADJUSTMENT TARIFF 2006 and 2007

A. APPLICABILITY This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the unincorporated areas of Rio Grande Valley Service Area. Applicable rate schedules include 1Z, 2Z, 3Z, 4Z, T-1 and T-2.

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B. BILLING The following Interim Rate Adjustments (IRA-2006 and IRA-2007) will be added to the applicable Rate Schedule Customer Charge for each monthly billing period:

Rate Schedule	Customer Class	Current Customer Chg	2006 Interim Rate Adj
2007 Interim Rate Adj	Total		
1Z	Residential		\$9.50
\$.58		\$0.36	\$10.44
2Z	Commercial		\$25.00
\$3.92		\$2.33	\$31.25
3Z	Industrial		\$50
\$10.95		\$5.90	\$66.85
4Z	Public Authority		\$30
\$3.53		\$2.18	\$35.71
T-1	T-1 Transportation		\$50
\$47.35		\$30.47	\$127.82
T-2	T-2 Transportation		\$250
\$47.35		\$30.47	\$327.82
	Docket numbers		9708
9800			9871

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated July 31, 2008 Meters Read On and After July 15, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1)

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of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24,

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2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008
March 31, 2009

WNA RGV-OS

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE WNA
WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY

The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas served in Rio Grande Valley Service Area: 10, 20, and 40 as well as general service rate schedules 1Z, 2Z and 4Z for the unincorporated areas. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE

The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM

In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD}, \quad \text{where}$$

$$\text{CV}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate}, \text{ where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case.

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RATE SCHEDULE

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CV = Current Volumes for the billing period.

D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate	Meters
Read On and After	
2006 (Incorporated)	July 31,
2007 (Unincorporated)	April 30,

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>
8975	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PROGRESSO - ENV (RGV SVC AREA)			
8976	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - ENV (RGV SVC AREA)			
8977	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - ENV (RGV SVC AREA)			
8978	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	RIO HONDO - ENV (RGV SVC AREA)			
8979	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN BENITO - ENV (RGV SVC AREA)			
8980	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN CARLOS - ENV (RGV SVC AREA)			
8981	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SAN JUAN - ENV (RGV SVC AREA)			
8982	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - ENV (RGV SVC AREA)			
8983	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	STARR - ENV (RGV SVC AREA)			
8984	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	WESLACO - ENV (RGV SVC AREA)			
27074	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMHURST - ENV (RGV SVC AREA)			
8945	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALAMO - ENV (RGV SVC AREA)			
8946	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ALTON - ENV (RGV SVC AREA)			
8947	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BAYVIEW - ENV (RGV SVC AREA)			
8948	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - ENV (RGV SVC AREA)			
8949	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	COMBES - ENV (RGV SVC AREA)			
8950	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	DONNA - ENV (RGV SVC AREA)			

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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>
8951	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDCOUCH - ENV (RGV SVC AREA)			
8952	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	EDINBURG - ENV (RGV SVC AREA)			
8953	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	ELSA - ENV (RGV SVC AREA)			
8954	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HARLINGEN - ENV (RGV SVC AREA)			
8955	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	HIDALGO - ENV (RGV SVC AREA)			
8956	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	JIM HOGG - ENV (RGV SVC AREA)			
8957	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA FERIA - ENV (RGV SVC AREA)			
8958	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA JOYA - ENV (RGV SVC AREA)			
8959	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LA VILLA - ENV (RGV SVC AREA)			
8960	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA HEIGHTS - ENV (RGV SVC AREA)			
8961	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - ENV (RGV SVC AREA)			
8962	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - ENV (RGV SVC AREA)			
8963	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	LYFORD - ENV (RGV SVC AREA)			
8964	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MCALLEN - ENV (RGV SVC AREA)			
8965	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MERCEDES - ENV (RGV SVC AREA)			
8966	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MISSION - ENV (RGV SVC AREA)			
8967	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	MONTE ALTO - ENV (RGV SVC AREA)			

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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>
8968	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	OLMITO - ENV (RGV SVC AREA)			
8969	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - ENV (RGV SVC AREA)			
8970	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PALMVIEW - ENV (RGV SVC AREA)			
8971	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PENITAS - ENV (RGV SVC AREA)			
8972	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PHARR - ENV (RGV SVC AREA)			
8973	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PORT ISABEL - ENV (RGV SVC AREA)			
8974	N	Ccf	\$.4203	07/30/2009
<u>CUSTOMER NAME</u>	PRIMERA - ENV (RGV SVC AREA)			
8945	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALAMO - ENV (RGV SVC AREA)			
8946	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ALTON - ENV (RGV SVC AREA)			
8947	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BAYVIEW - ENV (RGV SVC AREA)			
8948	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	BROWNSVILLE - ENV (RGV SVC AREA)			
8949	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	COMBES - ENV (RGV SVC AREA)			
8950	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	DONNA - ENV (RGV SVC AREA)			
8951	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDCOUCH - ENV (RGV SVC AREA)			
8952	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	EDINBURG - ENV (RGV SVC AREA)			
8953	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	ELSA - ENV (RGV SVC AREA)			
8954	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HARLINGEN - ENV (RGV SVC AREA)			

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TARIFF CODE: DS RRC TARIFF NO: 9241

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8955	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	HIDALGO - ENV (RGV SVC AREA)			
8956	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	JIM HOGG - ENV (RGV SVC AREA)			
8957	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA FERIA - ENV (RGV SVC AREA)			
8958	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA JOYA - ENV (RGV SVC AREA)			
8959	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LA VILLA - ENV (RGV SVC AREA)			
8960	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA HEIGHTS - ENV (RGV SVC AREA)			
8961	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LAGUNA VISTA - ENV (RGV SVC AREA)			
8962	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LOS FRESNOS - ENV (RGV SVC AREA)			
8963	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	LYFORD - ENV (RGV SVC AREA)			
8964	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MCALLEN - ENV (RGV SVC AREA)			
8965	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MERCEDES - ENV (RGV SVC AREA)			
8966	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MISSION - ENV (RGV SVC AREA)			
8967	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	MONTE ALTO - ENV (RGV SVC AREA)			
8968	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	OLMITO - ENV (RGV SVC AREA)			
8969	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALM VALLEY - ENV (RGV SVC AREA)			
8970	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMVIEW - ENV (RGV SVC AREA)			
8971	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PENITAS - ENV (RGV SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9241

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8972	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PHARR - ENV (RGV SVC AREA)			
8973	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PORT ISABEL -ENV (RGV SVC AREA)			
8974	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PRIMERA - ENV (RGV SVC AREA)			
8975	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PROGRESSO - ENV (RGV SVC AREA)			
8976	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RANCHO VIEJO - ENV (RGV SVC AREA)			
8977	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RAYMONDVILLE - ENV (RGV SVC AREA)			
8978	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	RIO HONDO - ENV (RGV SVC AREA)			
8979	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN BENITO - ENV (RGV SVC AREA)			
8980	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN CARLOS - ENV (RGV SVC AREA)			
8981	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SAN JUAN - ENV (RGV SVC AREA)			
8982	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	SANTA ROSA - ENV (RGV SVC AREA)			
8983	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	STARR - ENV (RGV SVC AREA)			
8984	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	WESLACO - ENV (RGV SVC AREA)			
27074	N	Ccf	\$.2800	08/28/2009
<u>CUSTOMER NAME</u>	PALMHURST - ENV (RGV SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9800 & 9871 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Interim Rate Adjustment filed 5/1/09 apprvd per RRC GUD 9871billed & eff. 07/15/09. Added IRA language to rate schedule 'Other Adjustments' section.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9241

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 4Z_Public Authority Sales_Rio Grande Valley Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9242

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/01/2009 ORIGINAL CONTRACT DATE: 07/01/2009 RECEIVED DATE: 07/31/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
10-Dell-IS-Res	<p>TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region RATE SCHEDULE 10 RESIDENTIAL SERVICE RATE APPLICABILITY Applicable to domestic customers for all purposes. TERRITORY Dell City, Texas, including incorporated areas of Hudspeth and Culberson Counties, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter per month @ \$8.00 plus The First 200 Ccf @ \$.1746 per Ccf All Over 200 Ccf @ \$.1385 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No.1-INC multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulation from time to time in effect. Meters Read On and After July 1, 2009 Supersedes Rate Sheet Dated July 1, 2008</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9242

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

TEXAS GAS SERVICE

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9242

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

1-1-Dell-IS-COSAdj

COMPANY

Dell City Service Area - West

Texas Region

RATE SCHEDULE NO.

COS

COST OF SERVICE ADJUSTMENT

PROVISION

A. APPLICABILITY

This Cost of Service Adjustment Provision applies to all general service rate schedules of Texas Gas Service Company currently in force in its Dell City, Texas Service Area.

B. EFFECTIVE DATE

Rate adjustments made in accordance with this Cost of Service Adjustment Provision will be applied to all bills rendered between July 1, 1991 and June 30, 1992, and annually thereafter beginning each July 1st.

C. RELEVANT ACCOUNTS

Calculation of the annual rate adjustment will be based on changes in the level of expenses recorded in the following accounts:

Description

Account No.

Depreciation Expense	403	
Amortization Expenses	404.1 - 407.1	
Taxes Other than FIT	408	(Excluding Gross Receipts Taxes)
Distribution Expenses	870 - 894	
Customer Accounts Expenses	901 - 916	
Administrative & General Expenses	920 - 931	
Maintenance of General Plant	932	

Cost of gas, gross receipts taxes, federal income taxes, irrigation-related expenses and return on investment will not be considered or included in the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9242

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

calculation of the annual rate adjustment. Irrigation-related expenses will be removed from each group of accounts based on the ratios determined in the most recent rate case.

D. BASIS OF ANNUAL RATE ADJUSTMENT

Calculation of the annual rate adjustment will be based on calendar year-end data taken from the books and records of Texas Gas Service Company and reported in the General Annual Reports filed with the Railroad Commission of Texas. All annual rate adjustments will be cumulative.

E. AMOUNT OF ANNUAL RATE ADJUSTMENT

The amount of the annual rate adjustment will be determined by comparing the sum of the balances in the Relevant Accounts at the end of each of the two calendar years preceding the year during which the adjustment is made. Only dollar amounts attributable to the Dell City, Texas Service Area will be included when the adjustment is determined. The dollar amount of the net increase or decrease in the year-end balances of the Relevant Accounts will be determined by subtracting the balances from the second year preceding the rate adjustment (base year) from the balances from the first year immediately preceding the rate adjustment (prior year). The difference will be divided by the adjusted volume of gas (Ccf) sold in the Dell City, Texas Service Area during the prior year, and the resulting increase (decrease) will be added to (subtracted from) the existing consumption related rate blocks. All adjustments will be rounded up (or down) to the nearest one-hundredth of a cent per hundred cubic feet (0.01 cents/Ccf) of gas sold.

F. FILING OF ANNUAL RATE ADJUSTMENT

Texas Gas Service Company will file with the appropriate regulatory authorities its proposed annual rate adjustment accompanied by the revised rate schedules, supporting documentation, and calculations required to determine the adjustment. This filing will be made each May and will occur at least thirty (30) days prior to July 1st of the same year.

G. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The appropriate regulatory authorities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on and after July 1st of each year. This Cost of Service Adjustment Provision does not change or limit the legal rights or duties of the affected regulatory authorities, and Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Rate Sheet

Meters Read On and After Dated May 30, 1990

February 19, 1993

1-INC-Dell-IS-COG

TEXAS GAS SERVICE

COMPANY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9242

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Dell City Service Area -

West Texas Region

RATE

SCHEDULE NO. 1-INC

COST OF

GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated area of its Dell City, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company for general service customers during the twelve (12) month period ending October 31 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of October to determine the amount of over or under collection occurring during such twelve month period. The reconciliation factor effective on the October, 1985 bills will be reviewed, adjusted if necessary and made effective on bills for February through October 1986. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9242

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedule(s), the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the February billing cycle through the October billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following February billing cycle and continuing through the next following October billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9242

RATE SCHEDULESCHEDULE IDDESCRIPTION

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall post a Cost of Gas Statement in the Company office in Dell City, Texas which will be available for inspection during regular business hours and file a copy with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9242

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

total of items (b) through (e). The statement shall include all data necessary for the Customers or Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending October 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues for the twelve month period ending October 31.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for February.

(For Incorporated only)
Supersedes Rate Sch. No. 1 Same Sheet Dated
Meters Read On and After
November 25, 1985

August 24, 2001

RATE ADJUSTMENT PROVISIONS

See 1-1-Dell-IS-COSadj (RATE SCHEDULE COS COST OF SERVICE ADJUSTMENT PROVISION)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8895	N	Ccf	\$.3788	07/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - INC			
8895	N	Ccf	\$.3135	08/28/2009
<u>CUSTOMER NAME</u>	DELL CITY - INC			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 7/1/09.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9242

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 10_Residential Sales_Dell City Svc Area - Incorp. Dell City, TX (including incorp. areas in Hudspeth & Culberson Counties)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9243

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/01/2009 ORIGINAL CONTRACT DATE: 07/01/2009 RECEIVED DATE: 07/31/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-Dell-IS-COSAdj	TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region RATE SCHEDULE NO. COS COST OF SERVICE ADJUSTMENT PROVISION
A. APPLICABILITY	
This Cost of Service Adjustment Provision applies to all general service rate schedules of Texas Gas Service Company currently in force in its Dell City, Texas Service Area.	
B. EFFECTIVE DATE	
Rate adjustments made in accordance with this Cost of Service Adjustment Provision will be applied to all bills rendered between July 1, 1991 and June 30, 1992, and annually thereafter beginning each July 1st.	
C. RELEVANT ACCOUNTS	
Calculation of the annual rate adjustment will be based on changes in the level of expenses recorded in the following accounts:	
Description	
Account No.	
Depreciation Expense	403
Amortization Expenses	404.1 - 407.1
Taxes Other than FIT	408 (Excluding Gross Receipts Taxes)
Distribution Expenses	870 - 894
Customer Accounts Expenses	901 - 916

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9243

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Administrative & General Expenses 920 - 931

Maintenance of General Plant 932

Cost of gas, gross receipts taxes, federal income taxes, irrigation-related expenses and return on investment will not be considered or included in the calculation of the annual rate adjustment. Irrigation-related expenses will be removed from each group of accounts based on the ratios determined in the most recent rate case.

D. BASIS OF ANNUAL RATE ADJUSTMENT

Calculation of the annual rate adjustment will be based on calendar year-end data taken from the books and records of Texas Gas Service Company and reported in the General Annual Reports filed with the Railroad Commission of Texas. All annual rate adjustments will be cumulative.

E. AMOUNT OF ANNUAL RATE ADJUSTMENT

The amount of the annual rate adjustment will be determined by comparing the sum of the balances in the Relevant Accounts at the end of each of the two calendar years preceding the year during which the adjustment is made. Only dollar amounts attributable to the Dell City, Texas Service Area will be included when the adjustment is determined. The dollar amount of the net increase or decrease in the year-end balances of the Relevant Accounts will be determined by subtracting the balances from the second year preceding the rate adjustment (base year) from the balances from the first year immediately preceding the rate adjustment (prior year). The difference will be divided by the adjusted volume of gas (Ccf) sold in the Dell City, Texas Service Area during the prior year, and the resulting increase (decrease) will be added to (subtracted from) the existing consumption related rate blocks. All adjustments will be rounded up (or down) to the nearest one-hundredth of a cent per hundred cubic feet (0.01 cents/Ccf) of gas sold.

F. FILING OF ANNUAL RATE ADJUSTMENT

Texas Gas Service Company will file with the appropriate regulatory authorities its proposed annual rate adjustment accompanied by the revised rate schedules, supporting documentation, and calculations required to determine the adjustment. This filing will be made each May and will occur at least thirty (30) days prior to July 1st of the same year.

G. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The appropriate regulatory authorities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on and after July 1st of each year. This Cost of Service Adjustment Provision does not change or limit the legal rights or duties of the affected regulatory authorities, and Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9243

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Supersedes Same Rate Sheet
Meters Read On and After Dated May 30, 1990

February 19, 1993

1-INC-Dell-IS-COG

TEXAS GAS SERVICE

COMPANY

Dell City Service Area -

West Texas Region

RATE

SCHEDULE NO. 1-INC

COST OF

GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated area of its Dell City, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company for general service customers during the twelve (12) month period ending October 31 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of October to determine the amount of over or under collection occurring during such twelve month period.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9243

RATE SCHEDULESCHEDULE IDDESCRIPTION

The reconciliation factor effective on the October, 1985 bills will be reviewed, adjusted if necessary and made effective on bills for February through October 1986. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedule(s), the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the February billing cycle through the October billing cycle. The Reconciliation Component so determined to collect any revenue shortfall

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9243

RATE SCHEDULESCHEDULE IDDESCRIPTION

or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following February billing cycle and continuing through the next following October billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,
 (2) over the same number of units sold during the period of the over or under charge, or
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall post a Cost of Gas Statement in the Company office in Dell City, Texas which will be available for inspection during regular business hours and file a copy with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9243

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Customers or Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending October 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues for the twelve month period ending October 31.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for February.

(For Incorporated only)
Supersedes Rate Sch. No. 1 Same Sheet Dated
Meters Read On and After
November 25, 1985

August 24, 2001

20-Dell-IS-Com

TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region
RATE SCHEDULE 20 COMMERCIAL SERVICE RATE APPLICABILITY Applicable to commercial customers for all purposes, and to all other customers not otherwise specifically provided for. TERRITORY Dell City, Texas including incorporated areas of Hudspeth and Culberson Counties, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter per month @ \$8.00 plus The First 200 Ccf @ \$.1746 per Ccf All Over 200 Ccf @ \$.1096 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No.1-INC multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. Meters Read On and After July 1, 2009 Supersedes Rate Sheet Dated July 1, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9243

RATE SCHEDULESCHEDULE IDDESCRIPTION

SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)
the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each
operator of a natural gas distribution system that is a utility subject to the
jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
shall file a generally applicable tariff for its surcharge in conformance with the
requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
Amounts recovered from customers under this subsection by an investor-owned natural
gas distribution system or a cooperatively owned natural gas distribution system
shall not be included in the revenue or gross receipts of the system for the
purpose of calculating municipal franchise fees or any tax imposed under Subchapter
B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9243

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-Dell-IS-COSAdj (RATE SCHEDULE COS COST OF SERVICE ADJUSTMENT PROVISION)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8895	N	Ccf	\$.3788	07/30/2009
<u>CUSTOMER NAME</u>		DELL CITY - INC		
8895	N	Ccf	\$.3135	08/28/2009
<u>CUSTOMER NAME</u>		DELL CITY - INC		

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 7/1/09.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9243

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 20_Commercial Sales_Dell City Svc Area - Incorp. Dell City, TX (including incorp. areas in Hudspeth & Culberson Counties)

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9244

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/01/2009 ORIGINAL CONTRACT DATE: 07/01/2009 RECEIVED DATE: 07/31/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-Dell-IS-COSAdj	TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region RATE SCHEDULE NO. COS COST OF SERVICE ADJUSTMENT PROVISION
A. APPLICABILITY	
This Cost of Service Adjustment Provision applies to all general service rate schedules of Texas Gas Service Company currently in force in its Dell City, Texas Service Area.	
B. EFFECTIVE DATE	
Rate adjustments made in accordance with this Cost of Service Adjustment Provision will be applied to all bills rendered between July 1, 1991 and June 30, 1992, and annually thereafter beginning each July 1st.	
C. RELEVANT ACCOUNTS	
Calculation of the annual rate adjustment will be based on changes in the level of expenses recorded in the following accounts:	
Description	
Account No.	
Depreciation Expense	403
Amortization Expenses	404.1 - 407.1
Taxes Other than FIT	408 (Excluding Gross Receipts Taxes)
Distribution Expenses	870 - 894
Customer Accounts Expenses	901 - 916

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9244

RATE SCHEDULESCHEDULE IDDESCRIPTION

Administrative & General Expenses 920 - 931

Maintenance of General Plant 932

Cost of gas, gross receipts taxes, federal income taxes, irrigation-related expenses and return on investment will not be considered or included in the calculation of the annual rate adjustment. Irrigation-related expenses will be removed from each group of accounts based on the ratios determined in the most recent rate case.

D. BASIS OF ANNUAL RATE ADJUSTMENT

Calculation of the annual rate adjustment will be based on calendar year-end data taken from the books and records of Texas Gas Service Company and reported in the General Annual Reports filed with the Railroad Commission of Texas. All annual rate adjustments will be cumulative.

E. AMOUNT OF ANNUAL RATE ADJUSTMENT

The amount of the annual rate adjustment will be determined by comparing the sum of the balances in the Relevant Accounts at the end of each of the two calendar years preceding the year during which the adjustment is made. Only dollar amounts attributable to the Dell City, Texas Service Area will be included when the adjustment is determined. The dollar amount of the net increase or decrease in the year-end balances of the Relevant Accounts will be determined by subtracting the balances from the second year preceding the rate adjustment (base year) from the balances from the first year immediately preceding the rate adjustment (prior year). The difference will be divided by the adjusted volume of gas (Ccf) sold in the Dell City, Texas Service Area during the prior year, and the resulting increase (decrease) will be added to (subtracted from) the existing consumption related rate blocks. All adjustments will be rounded up (or down) to the nearest one-hundredth of a cent per hundred cubic feet (0.01 cents/Ccf) of gas sold.

F. FILING OF ANNUAL RATE ADJUSTMENT

Texas Gas Service Company will file with the appropriate regulatory authorities its proposed annual rate adjustment accompanied by the revised rate schedules, supporting documentation, and calculations required to determine the adjustment. This filing will be made each May and will occur at least thirty (30) days prior to July 1st of the same year.

G. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The appropriate regulatory authorities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on and after July 1st of each year. This Cost of Service Adjustment Provision does not change or limit the legal rights or duties of the affected regulatory authorities, and Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9244

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Supersedes Same Rate Sheet
Meters Read On and After Dated May 30, 1990

February 19, 1993

1-INC-Dell-IS-COG

TEXAS GAS SERVICE

COMPANY

Dell City Service Area -

West Texas Region

RATE

SCHEDULE NO. 1-INC

COST OF

GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated area of its Dell City, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company for general service customers during the twelve (12) month period ending October 31 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of October to determine the amount of over or under collection occurring during such twelve month period.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9244

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

The reconciliation factor effective on the October, 1985 bills will be reviewed, adjusted if necessary and made effective on bills for February through October 1986. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedule(s), the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the February billing cycle through the October billing cycle. The Reconciliation Component so determined to collect any revenue shortfall

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9244

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following February billing cycle and continuing through the next following October billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,
 (2) over the same number of units sold during the period of the over or under charge, or
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall post a Cost of Gas Statement in the Company office in Dell City, Texas which will be available for inspection during regular business hours and file a copy with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9244

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Customers or Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending October 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues for the twelve month period ending October 31.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for February.

(For Incorporated only)
Supersedes Rate Sch. No. 1 Same Sheet Dated
Meters Read On and After
November 25, 1985

August 24, 2001

30-Dell-IS-Ind

TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region
RATE SCHEDULE 30 INDUSTRIAL SERVICE RATE APPLICABILITY Applicable to industrial customers for all purposes. TERRITORY Dell City, Texas including incorporated areas of Hudspeth and Culberson Counties, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter per month @ \$20.00 plus - The First 200 Ccf @ \$.3596 per Ccf All Over 200 Ccf @ \$.1826 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No.1-INC multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. Meters Read On and After July 1, 2009 Supersedes Rate Sheet Dated July 1, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9244

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)
the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each
operator of a natural gas distribution system that is a utility subject to the
jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
shall file a generally applicable tariff for its surcharge in conformance with the
requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
Amounts recovered from customers under this subsection by an investor-owned natural
gas distribution system or a cooperatively owned natural gas distribution system
shall not be included in the revenue or gross receipts of the system for the
purpose of calculating municipal franchise fees or any tax imposed under Subchapter
B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9244

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-Dell-IS-COSAdj (RATE SCHEDULE COS COST OF SERVICE ADJUSTMENT PROVISION)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8895	N	Ccf	\$.3788	07/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - INC			
8895	N	Ccf	\$.3135	08/28/2009
<u>CUSTOMER NAME</u>	DELL CITY - INC			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 7/1/09.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9244

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 30_Industrial Sales_Dell City Svc Area - Incorp. Dell City, TX (including incorp. areas in Hudspeth & Culberson Counties)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9245

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/01/2009 ORIGINAL CONTRACT DATE: 07/01/2009 RECEIVED DATE: 07/31/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-Dell-IS-COSAdj	TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region RATE SCHEDULE NO. COS COST OF SERVICE ADJUSTMENT PROVISION
A. APPLICABILITY	
This Cost of Service Adjustment Provision applies to all general service rate schedules of Texas Gas Service Company currently in force in its Dell City, Texas Service Area.	
B. EFFECTIVE DATE	
Rate adjustments made in accordance with this Cost of Service Adjustment Provision will be applied to all bills rendered between July 1, 1991 and June 30, 1992, and annually thereafter beginning each July 1st.	
C. RELEVANT ACCOUNTS	
Calculation of the annual rate adjustment will be based on changes in the level of expenses recorded in the following accounts:	
Description	
Account No.	
Depreciation Expense	403
Amortization Expenses	404.1 - 407.1
Taxes Other than FIT	408 (Excluding Gross Receipts Taxes)
Distribution Expenses	870 - 894
Customer Accounts Expenses	901 - 916

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9245

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Administrative & General Expenses 920 - 931

Maintenance of General Plant 932

Cost of gas, gross receipts taxes, federal income taxes, irrigation-related expenses and return on investment will not be considered or included in the calculation of the annual rate adjustment. Irrigation-related expenses will be removed from each group of accounts based on the ratios determined in the most recent rate case.

D. BASIS OF ANNUAL RATE ADJUSTMENT

Calculation of the annual rate adjustment will be based on calendar year-end data taken from the books and records of Texas Gas Service Company and reported in the General Annual Reports filed with the Railroad Commission of Texas. All annual rate adjustments will be cumulative.

E. AMOUNT OF ANNUAL RATE ADJUSTMENT

The amount of the annual rate adjustment will be determined by comparing the sum of the balances in the Relevant Accounts at the end of each of the two calendar years preceding the year during which the adjustment is made. Only dollar amounts attributable to the Dell City, Texas Service Area will be included when the adjustment is determined. The dollar amount of the net increase or decrease in the year-end balances of the Relevant Accounts will be determined by subtracting the balances from the second year preceding the rate adjustment (base year) from the balances from the first year immediately preceding the rate adjustment (prior year). The difference will be divided by the adjusted volume of gas (Ccf) sold in the Dell City, Texas Service Area during the prior year, and the resulting increase (decrease) will be added to (subtracted from) the existing consumption related rate blocks. All adjustments will be rounded up (or down) to the nearest one-hundredth of a cent per hundred cubic feet (0.01 cents/Ccf) of gas sold.

F. FILING OF ANNUAL RATE ADJUSTMENT

Texas Gas Service Company will file with the appropriate regulatory authorities its proposed annual rate adjustment accompanied by the revised rate schedules, supporting documentation, and calculations required to determine the adjustment. This filing will be made each May and will occur at least thirty (30) days prior to July 1st of the same year.

G. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The appropriate regulatory authorities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on and after July 1st of each year. This Cost of Service Adjustment Provision does not change or limit the legal rights or duties of the affected regulatory authorities, and Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9245

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Supersedes Same Rate Sheet
 Meters Read On and After Dated May 30, 1990
 February 19, 1993

1-INC-Dell-IS-COG

TEXAS GAS SERVICE

COMPANY

Dell City Service Area -

West Texas Region

RATE

SCHEDULE NO. 1-INC

COST OF

GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated area of its Dell City, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company for general service customers during the twelve (12) month period ending October 31 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of October to determine the amount of over or under collection occurring during such twelve month period.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9245

RATE SCHEDULESCHEDULE IDDESCRIPTION

The reconciliation factor effective on the October, 1985 bills will be reviewed, adjusted if necessary and made effective on bills for February through October 1986. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedule(s), the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the February billing cycle through the October billing cycle. The Reconciliation Component so determined to collect any revenue shortfall

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9245

RATE SCHEDULESCHEDULE IDDESCRIPTION

or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following February billing cycle and continuing through the next following October billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,
 (2) over the same number of units sold during the period of the over or under charge, or
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall post a Cost of Gas Statement in the Company office in Dell City, Texas which will be available for inspection during regular business hours and file a copy with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9245

RATE SCHEDULE

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DESCRIPTION

Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Customers or Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending October 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues for the twelve month period ending October 31.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for February.

(For Incorporated only)
Supersedes Rate Sch. No. 1 Same Sheet Dated
Meters Read On and After
November 25, 1985

August 24, 2001

40-Dell-IS-PubA

TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region
RATE SCHEDULE 40 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to public authority customers for all purposes. TERRITORY Dell City, Texas including incorporated areas of Hudspeth and Culberson Counties, Texas. COST OF SERVICE RATE
During each monthly billing period: A Customer Charge per meter per month @ \$10.00 plus - The First 200 Ccf @ \$.2396 per Ccf All Over 200 Ccf @ \$.1609 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No.1-INC multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. Meters Read On and After July 1, 2009 Supersedes Rate Sheet Dated July 1, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9245

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
 Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
 establishes a pipeline safety inspection fee, to be assessed annually against
 operators of natural gas distribution pipelines and pipeline facilities and natural
 gas master metered pipelines and pipeline facilities subject to the Commission's
 pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
 amount of revenue estimated to be collected under this section does not exceed the
 amount the Commission estimates to be necessary to recover the costs of
 administering the pipeline safety program under Texas Utilities Code, Chapter 121,
 excluding costs that are fully funded by federal sources, for any fiscal year.
 (b) The Commission hereby assesses each operator of a natural gas distribution
 system an annual pipeline safety program fee of \$0.50 for each service (service
 line) reported to be in service at the end of each calendar year by each system
 operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
 of each year. (1) Each operator of a natural gas distribution system shall
 calculate the total amount of the annual pipeline safety program fee to be paid to
 the Commission by multiplying the number of services listed in Part B, Section 3,
 of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
 due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
 a natural gas distribution system shall remit to the Commission on March 15 of each
 year, the amount calculated under paragraph (1) of this subsection. (3) Each
 operator of a natural gas distribution system shall recover, by a surcharge to its
 existing rates, the amount the operator paid to the Commission under paragraph (1)
 of this subsection. The surcharge: (A) shall be a flat rate, one-time
 surcharge; (B) shall not be billed before the operator remits the
 pipeline safety program fee to the Commission; (C) shall be applied in
 the billing cycle or cycles immediately following the date on which the operator
 paid the Commission; (D) shall not exceed \$0.50 per service or service
 line (For calendar year 2009 the annual pipeline safety program fee, effective with
 meters read on and after March 31, 2009, Texas Gas Service Company will bill all
 customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
 line) ; and (E) shall not be billed to a state agency, as that term is
 defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
 last billing cycle in which the pipeline safety program fee surcharge is billed to
 customers, each operator of a natural gas distribution system shall file with the
 Commission's Gas Services Division and the Safety Division a report showing:
 (A) the pipeline safety program fee amount paid to the Commission; (B)
 the unit rate and total amount of the surcharge billed to each customer;
 (C) the date or dates on which the surcharge was billed to customers; and
 (D) the total amount collected from customers from the surcharge. (5) Each
 operator of a natural gas distribution system that is a utility subject to the
 jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
 shall file a generally applicable tariff for its surcharge in conformance with the
 requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
 Amounts recovered from customers under this subsection by an investor-owned natural
 gas distribution system or a cooperatively owned natural gas distribution system
 shall not be included in the revenue or gross receipts of the system for the
 purpose of calculating municipal franchise fees or any tax imposed under Subchapter
 B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject
 to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3,

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9245

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-Dell-IS-COSAdj (RATE SCHEDULE COS COST OF SERVICE ADJUSTMENT PROVISION)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8895	N	Ccf	\$.3788	07/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - INC			
8895	N	Ccf	\$.3135	08/28/2009
<u>CUSTOMER NAME</u>	DELL CITY - INC			

REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 7/1/09.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9245

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 40_Public Authority Sales_Dell City Svc Area - Incorp. Dell City, TX (including incorp. areas in Hudspeth & Culberson Counties)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9246

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/26/1993 ORIGINAL CONTRACT DATE: 07/26/1993 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9246

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-Dell-OS-COG

TEXAS GAS SERVICE

COMPANY

Dell City Service Area - West

Texas Region

RATE SCHEDULE

NO. 1

COST OF GAS

CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9246

RATE SCHEDULESCHEDULE IDDESCRIPTION

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Dell City, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company for general service customers during the twelve (12) month period ending October 31 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of October to determine the amount of over or under collection occurring during such twelve month period. The reconciliation factor effective on the October, 1985 bills will be reviewed, adjusted if necessary and made effective on bills for February through October 1986. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9246

RATE SCHEDULESCHEDULE IDDESCRIPTION

Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedule(s), the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the February billing cycle through the October billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following February billing cycle and continuing through the next following October billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9246

RATE SCHEDULESCHEDULE IDDESCRIPTION

for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall post a Cost of Gas Statement in the Company office in Dell City, Texas which will be available for inspection during regular business hours and file a copy with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Customers or Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9246

RATE SCHEDULE

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DESCRIPTION

include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending October 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues for the twelve month period ending October 31.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for February.

Supersedes Same Sheet Dated

Meters Read On and After

November 25, 1985

August 24, 2001

1Z-Dell-OS-Res

TEXAS GAS

SERVICE COMPANY

Dell City Service

Area - West Texas Region

RATE SCHEDULE 1Z

RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to domestic customers for all purposes, and to all other customers not otherwise specifically provided for.

TERRITORY

Unincorporated areas of Dell City, Texas, including Hudspeth and Culberson Counties, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month @ \$8.00 plus

The First 200 Ccf @ \$.1650 per Ccf per month plus,

All Over 200 Ccf @ \$.1289 per Ccf

Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9246

RATE SCHEDULE	
<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.
	Supersedes Rate Sheet Dated Gas Sold On and After July 9, 1990 July 26, 1993

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>
8896	N	Ccf	\$.3271	03/31/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3106	04/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3277	06/01/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3641	06/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3714	07/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3074	08/28/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: 8356 CITY ORDINANCE NO:
AMENDMENT (EXPLAIN):
OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES	
<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1Z_Residential Sales_Dell City Svc Area - Environs (including Hudspeth & Culberson Counties)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9247

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/26/1993 ORIGINAL CONTRACT DATE: 07/26/1993 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Dell-OS-COG	TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region NO. 1 RATE SCHEDULE COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Dell City, Texas Service Area. B. DEFINITIONS 1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. 2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company for general service customers during the twelve (12) month period ending October 31 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of October to determine the amount of over or under collection occurring during such twelve month period.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9247

RATE SCHEDULESCHEDULE IDDESCRIPTION

The reconciliation factor effective on the October, 1985 bills will be reviewed, adjusted if necessary and made effective on bills for February through October 1986. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedule(s), the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the February billing cycle through the October billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following February billing cycle and continuing through the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9247

RATE SCHEDULESCHEDULE IDDESCRIPTION

next following October billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall post a Cost of Gas Statement in the Company office in Dell City, Texas which will be available for inspection during regular business hours and file a copy with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9247

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Customers or Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending October 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues for the twelve month period ending October 31.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for February.

Supersedes Same Sheet Dated

Meters Read On and After

November 25, 1985

August 24, 2001

2Z-Dell-OS-Com

TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region
 RATE SCHEDULE 2Z COMMERCIAL SERVICE RATE APPLICABILITY Applicable to commercial customers for all purposes, and to all other customers not otherwise specifically provided for. TERRITORY Unincorporated areas of Dell City, Texas including Hudspeth and Culberson Counties, Texas. COST OF SERVICE RATED During each monthly billing period: A Customer Charge per meter per month @ \$8.00 plus The First 200 Ccf @ \$.1650 per Ccf per month plus, All Over 200 Ccf @ \$.1000 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. Supersedes Rate Sheet Dated Gas Sold On and After July 9, 1990 July 26, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas

RATE SCHEDULE PSF

PIPELINE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9247

RATE SCHEDULESCHEDULE IDDESCRIPTION

SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)
the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each
operator of a natural gas distribution system that is a utility subject to the
jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
shall file a generally applicable tariff for its surcharge in conformance with the
requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
Amounts recovered from customers under this subsection by an investor-owned natural
gas distribution system or a cooperatively owned natural gas distribution system
shall not be included in the revenue or gross receipts of the system for the
purpose of calculating municipal franchise fees or any tax imposed under Subchapter
B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9247

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9247

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8896	N	Ccf	\$.3271	03/31/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3106	04/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3277	06/01/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3641	06/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3714	07/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3074	08/28/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8356 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2Z_Commercial Sales_Dell City Svc Area - Environs (including Hudspeth & Culberson Counties)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9248

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/26/1993 ORIGINAL CONTRACT DATE: 07/26/1993 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Dell-OS-COG	TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region NO. 1 RATE SCHEDULE COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Dell City, Texas Service Area. B. DEFINITIONS 1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. 2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company for general service customers during the twelve (12) month period ending October 31 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of October to determine the amount of over or under collection occurring during such twelve month period.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9248

RATE SCHEDULESCHEDULE IDDESCRIPTION

The reconciliation factor effective on the October, 1985 bills will be reviewed, adjusted if necessary and made effective on bills for February through October 1986. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedule(s), the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the February billing cycle through the October billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following February billing cycle and continuing through the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9248

RATE SCHEDULESCHEDULE IDDESCRIPTION

next following October billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall post a Cost of Gas Statement in the Company office in Dell City, Texas which will be available for inspection during regular business hours and file a copy with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9248

RATE SCHEDULE

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DESCRIPTION

- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Customers or Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending October 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues for the twelve month period ending October 31.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for February.

Supersedes Same Sheet Dated

Meters Read On and After

November 25, 1985

August 24, 2001

3Z-Dell-OS-Ind

TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region
 RATE SCHEDULE 3Z INDUSTRIAL SERVICE RATE APPLICABILITY Applicable to industrial customers for all purposes, and to all other customers not otherwise specifically provided for. TERRITORY Unincorporated areas of Dell City, Texas including Hudspeth and Culberson Counties, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter per month @ \$20.00 plus -The First 200 Ccf @ \$.3500 per Ccf per month plus, All Over 200 Ccf @ \$.1730 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. Supersedes Rate Sheet Dated Gas Sold On and After July 9, 1990 July 26, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9248

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)
the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each
operator of a natural gas distribution system that is a utility subject to the
jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
shall file a generally applicable tariff for its surcharge in conformance with the
requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
Amounts recovered from customers under this subsection by an investor-owned natural
gas distribution system or a cooperatively owned natural gas distribution system
shall not be included in the revenue or gross receipts of the system for the
purpose of calculating municipal franchise fees or any tax imposed under Subchapter
B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9248

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9248

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8896	N	Ccf	\$.3271	03/31/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3106	04/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3277	06/01/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3641	06/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3714	07/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3074	08/28/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8356 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3Z_Industrial Sales_Dell City Svc Area - Environs (including Hudspeth & Culberson Counties)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9249

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/26/1993 ORIGINAL CONTRACT DATE: 07/26/1993 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Dell-OS-COG	TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region
	RATE SCHEDULE
NO. 1	COST OF GAS
CLAUSE	
A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Dell City, Texas Service Area.
B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.
	2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company for general service customers during the twelve (12) month period ending October 31 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of October to determine the amount of over or under collection occurring during such twelve month period.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9249

RATE SCHEDULESCHEDULE IDDESCRIPTION

The reconciliation factor effective on the October, 1985 bills will be reviewed, adjusted if necessary and made effective on bills for February through October 1986. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedule(s), the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the February billing cycle through the October billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following February billing cycle and continuing through the

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9249

RATE SCHEDULESCHEDULE IDDESCRIPTION

next following October billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during January an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall post a Cost of Gas Statement in the Company office in Dell City, Texas which will be available for inspection during regular business hours and file a copy with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9249

RATE SCHEDULE

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DESCRIPTION

- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Customers or Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending October 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues for the twelve month period ending October 31.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for February.

Supersedes Same Sheet Dated

Meters Read On and After

November 25, 1985

August 24, 2001

4Z-Dell-OS-PubSch

TEXAS GAS SERVICE COMPANY Dell City Service Area - West Texas Region
 RATE SCHEDULE 4Z PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to public authority customers for all purposes, and to all other customers not otherwise specifically provided for. TERRITORY Unincorporated areas of Dell City, Texas including Hudspeth and Culberson Counties, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter per month @ \$10.00 plus - The First 200 Ccf @ \$.2300 per Ccf per month plus, All Over 200 Ccf @ \$.1513 per Ccf Prompt Payment Provision: None. Above rates are net. Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. Supersedes Rate Sheet Dated Gas Sold On and After July 9, 1990 July 26, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9249

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)
the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each
operator of a natural gas distribution system that is a utility subject to the
jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
shall file a generally applicable tariff for its surcharge in conformance with the
requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
Amounts recovered from customers under this subsection by an investor-owned natural
gas distribution system or a cooperatively owned natural gas distribution system
shall not be included in the revenue or gross receipts of the system for the
purpose of calculating municipal franchise fees or any tax imposed under Subchapter
B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9249

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9249

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8896	N	Ccf	\$.3271	03/31/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3106	04/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3277	06/01/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3641	06/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3714	07/30/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			
8896	N	Ccf	\$.3074	08/28/2009
<u>CUSTOMER NAME</u>	DELL CITY - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8356 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4Z_Public Authority Sales_Dell City Svc Area - Environs (including Hudspeth & Culberson Counties)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9250

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/26/2001 ORIGINAL CONTRACT DATE: 12/26/2001 RECEIVED DATE: 12/01/2008
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION	RATE
1B-Pec-Mon-IS-FrTx	TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region	
	SCHEDULE 1B FRANCHISE TAXES APPLICABILITY All incorporated areas served by the Company in its Pecos Monahans Service Area including Pecos, Monahans, Pyote. City or Town	
	City Franchise Tax* Billing	
	Tax Factor /1 (a) (c) Pecos (b)	
	2.000%	2.0408%
	Monahans 2.000%	
	2.0408% Pyote 2.000%	

* Franchise Tax Rate above the 2% embedded in rates. 1/ The tax rates in column (b) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. Supersedes Same Sheet Dated Meters Read On or After December 26, 2001 November 4, 2008

PSF-All-ISOS-PipeFee TEXAS GAS SERVICE COMPANY
 All Service Areas
 PIPELINE SAFETY PROGRAM FEES
 TEXAS ADMINISTRATIVE CODE
 TITLE 16
 ECONOMIC REGULATION PART 1
 RAILROAD COMMISSION OF TEXAS
 CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY
 Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9250

RATE SCHEDULESCHEDULE IDDESCRIPTION

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9250

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated Meters
 Read On and After
 March 30, 2007
 March 31, 2008

1-INC-Pec-Mon-IS-COG

TEXAS GAS SERVICE

COMPANY

RATE

SCHEDULE NO. 1-INC

Pecos-Monahans Service Area

- West Texas Region

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9250

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

COST OF

GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Pecos-Monahans Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extend to the next following June). The audit shall determine:

- (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,
 - (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues,
 - (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and
 - (d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.
6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9250

RATE SCHEDULE

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computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.C. COST OF GASIn addition to the cost of service as provided under its general service rate schedule, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Pecos City, Barstow, Monahans, and Thorntonville only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Pecos City, Barstow, Monahans, and Thorntonville, in accordance with the Settlement Agreement, are collected by the Company.D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENTIf the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.E. PAYMENT FOR USE OF FUNDSConcurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURESIn the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9250

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the El Paso, Texas Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues gathered by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December. (For Incorporated only) Supersedes Rate Sch. No. 1 Same Sheet Dated Meters Read On and After October 12, 1989 August 24, 2001

10-Pec-Mon-IS-Res

TEXAS GAS SERVICE

COMPANY

Pecos-Monahans Service Area -

West Texas Region

RATE SCHEDULE 10
RESIDENTIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer for a single family residential unit when served through a single meter. This rate is only available to full requirements customers of Texas Gas Service Company.

TERRITORY

Incorporated areas being served in the Texas counties of Reeves, Ward and Winkler.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9250

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$7.11 plus The First 30 Ccf @ .2214 per Ccf

All Over 30 Ccf @ .1778 per Ccf

Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-INC multiplied by the total Ccf consumed during the billing month. City Franchise Fee: The Cost of Service rates shall be increased or decreased in the event that city franchise fees are increased or decreased from 2% after the effective date of these rates in accordance with Rate Schedule 1

B.CONDITIONS

1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.

2. Residential service shall have priority in supply. 3. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S-1, Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate.

Supersedes Same Sheet Dated

Meters Read On and After September 25, 2001

December 26, 2001

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9250

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8864	N	Ccf	\$.4883	11/04/2008
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.4933	11/04/2008
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.4933	11/04/2008
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8861	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	BARSTOW - INC (PECOS-MONAHANS SVC AREA)			
8865	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PECOS-MONAHANS SVC AREA)			
8866	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	WICKETT - INC (PECOS-MONAHANS SVC AREA)			
8867	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	WINK - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.6599	12/02/2008
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.6599	12/02/2008
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.6532	12/02/2008
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.6554	01/02/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.6554	01/02/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.6487	01/02/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.4850	01/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.4850	01/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.4801	01/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9250

REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate1B revised for the Cities applicable eff.11/04/08. The Cities of Monahans, Pecos and Pyote Texas suspended action on the rate case filed 9/30/08.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u>
	10_Residential Sales_Pecos-Monahans Svc Area - Incorp. areas being served in the Texas counties of Reeves, Ward and Winkler

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9251

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 12/26/2001 ORIGINAL CONTRACT DATE: 12/26/2001 RECEIVED DATE: 12/01/2008
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID DESCRIPTION TEXAS GAS SERVICE
1-INC-Pec-Mon-IS-COG COMPANY

SCHEDULE NO. 1-INC RATE
Pecos-Monahans Service Area
- West Texas Region
COST OF
GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Pecos-Monahans Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extend to the next following June). The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9251

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.C. COST OF GASIn addition to the cost of service as provided under its general service rate schedule, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Pecos City, Barstow, Monahans, and Thorntonville only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Pecos City, Barstow, Monahans, and Thorntonville, in accordance with the Settlement Agreement, are collected by the Company.D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENTIf the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.E. PAYMENT FOR USE OF FUNDSConcurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall

GAS SERVICES DIVISION
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credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the El Paso, Texas Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues gathered by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December. (For Incorporated only) Supersedes Rate Sch. No. 1 Same Sheet Dated Meters Read On and After October 12, 1989 August 24, 2001

1B-Pec-Mon-IS-FrTx

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region RATE SCHEDULE 1B FRANCHISE TAXES APPLICABILITY All incorporated areas served by the Company in its Pecos Monahans Service Area including Pecos, Monahans, Pyote. City or Town City Franchise Tax* Billing Tax Factor /1 (a) (b) (c) Pecos 2.000% 2.0408%

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Monahans 2.000%
2.0408% Pyote 2.000%

2.0408% * Franchise Tax Rate above the 2% embedded in rates. 1/ The tax rates in column (b) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. Supersedes Same Sheet Dated Meters Read On or After December 26, 2001 November 4, 2008

20-Pec-Mon-IS-Com

TEXAS GAS

SERVICE COMPANY

Pecos-Monahans Service Area -

West Texas Region

RATE SCHEDULE 20
COMMERCIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to Commercial customers and any customer whose primary business activity at the location served is not provided for under any other rate schedule. This rate is only available to full requirements customers of Texas Gas Service Company.

TERRITORY

Incorporated areas being served in the Texas counties of Reeves, Ward and Winkler.

COST OF SERVICE RATE

During each monthly billing period: A Customer Charge of \$10.94 plus The first 30 Ccf @ .2787 per Ccf The Next 70 Ccf @ .2143 per Ccf The Next 900 Ccf @ .1926 per Ccf All Over 1,000 Ccf @ .1814 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-INC multiplied by the total Ccf consumed during the billing month. City Franchise Fee: The Cost of Service rates shall be increased or decreased in the event that city franchise fees are increased or decreased from 2% after the effective date of these rates in accordance with Rate Schedule 1B. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other consumers. 3. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S-1, Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby

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payments are current, the customer will qualify for this rate. Supersedes Same Sheet Dated Meters Read On and After September 25, 2001 December 26, 2001

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY
 All Service Areas
 PIPELINE SAFETY PROGRAM FEES
 TEXAS ADMINISTRATIVE CODE
 TITLE 16
 ECONOMIC REGULATION PART 1
 RAILROAD COMMISSION OF TEXAS
 CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY
 Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time

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customer charge per bill of \$0.46, based on \$0.50 per service line) ; and
 (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;

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(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated Meters
 Read On and After
 March 30, 2007
 March 31,2008

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>
8862	N	Ccf	\$.4933	11/04/2008
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.4933	11/04/2008
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.4883	11/04/2008
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8861	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	BARSTOW - INC (PECOS-MONAHANS SVC AREA)			
8865	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PECOS-MONAHANS SVC AREA)			
8866	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	WICKETT - INC (PECOS-MONAHANS SVC AREA)			
8867	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	WINK - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.6599	12/02/2008
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.6599	12/02/2008
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.6532	12/02/2008
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.6554	01/02/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.6554	01/02/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.6487	01/02/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.4850	01/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.4850	01/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.4801	01/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			

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REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate1B revised for the Cities applicable eff.11/04/08. The Cities of Monahans, Pecos and Pyote Texas suspended action on the rate case filed 9/30/08.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u>
	20_Commercial Sales_Pecos-Monahans Svc Area - Incorp. areas being served in the Texas counties of Reeves, Ward and Winkler

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DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 12/26/2001 ORIGINAL CONTRACT DATE: 12/26/2001 RECEIVED DATE: 12/01/2008
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-INC-Pec-Mon-IS-COG		TEXAS GAS SERVICE
	COMPANY	
		RATE
	SCHEDULE NO. 1-INC	
		Pecos-Monahans Service Area
	- West Texas Region	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Pecos-Monahans Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extend to the next following June). The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide	

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service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.C. COST OF GASIn addition to the cost of service as provided under its general service rate schedule, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Pecos City, Barstow, Monahans, and Thorntonville only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Pecos City, Barstow, Monahans, and Thorntonville, in accordance with the Settlement Agreement, are collected by the Company.D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENTIf the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.E. PAYMENT FOR USE OF FUNDSConcurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall

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credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the El Paso, Texas Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues gathered by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December. (For Incorporated only) Supersedes Rate Sch. No. 1 Same Sheet Dated Meters Read On and After October 12, 1989 August 24, 2001

1B-Pec-Mon-IS-FrTx

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region RATE SCHEDULE 1B FRANCHISE TAXES APPLICABILITY All incorporated areas served by the Company in its Pecos Monahans Service Area including Pecos, Monahans, Pyote. City or Town City Franchise Tax* Billing Tax Factor /1 (a) (b) (c) Pecos 2.000% 2.0408%

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9252

RATE SCHEDULE

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DESCRIPTION

Monahans 2.000%
2.0408% Pyote 2.000%

2.0408% * Franchise Tax Rate above the 2% embedded in rates. 1/ The tax rates in column (b) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. Supersedes Same Sheet Dated Meters Read On or After December 26, 2001 November 4, 2008

30-Pec-Mon-IS-Ind

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region
RATE SCHEDULE 30 INDUSTRIAL SERVICE RATEAPPLICABILITYService under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the US. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Division E and J - Utility and Government - facilities generating power for resale onlyThis rate is only available to full requirements customers of Texas Gas Service Company.TERRITORYIncorporated areas being served in the Texas counties of Reeves, Ward and Winkler. COST OF SERVICE RATEDuring each monthly billing period:A Customer Charge of \$27.34 plus -The First 100 Ccf @ .1935 per Ccf The Next 900 Ccf @ .1829 per Ccf All Over 1,000 Ccf @ .1657 per Ccf Cost of Gas Component:
In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-INC multiplied by the total Ccf consumed during the billing month.Connection Fee: A charge of \$300 will be paid before any connection will be made for gas for operation of temporary gas and oil drilling rigs.City Franchise Fee: The Cost of Service rates shall be increased or decreased in the event that city franchise fees are increased or decreased from 2% after the effective date of these rates in accordance with Rate Schedule 1B.CONDITIONS1. This optional rate schedule must be requested by the customer. 2. A contract must be signed for a period covering not less than 12 consecutive months.3. Delivery of gas hereunder may be interrupted or curtailed in the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other consumers.4. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S-1, Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Same Sheet Dated Meters Read On and After September 25, 2001 December 26, 2001

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY
All Service Areas
PIPELINE SAFETY PROGRAM FEES
TEXAS ADMINISTRATIVE CODE
TITLE 16
ECONOMIC REGULATION PART 1
RAILROAD COMMISSION OF TEXAS
CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9252

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9252

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9252

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated Meters
 Read On and After
 March 30, 2007
 March 31, 2008

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9252

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8862	N	Ccf	\$.4933	11/04/2008
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.4933	11/04/2008
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.4883	11/04/2008
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8861	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	BARSTOW - INC (PECOS-MONAHANS SVC AREA)			
8865	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PECOS-MONAHANS SVC AREA)			
8866	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	WICKETT - INC (PECOS-MONAHANS SVC AREA)			
8867	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	WINK - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.6599	12/02/2008
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.6599	12/02/2008
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.6532	12/02/2008
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.6554	01/02/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.6554	01/02/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.6487	01/02/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.4850	01/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.4850	01/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.4801	01/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9252

REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate1B revised for the Cities applicable eff.11/04/08. The Cities of Monahans, Pecos and Pyote Texas suspended action on the rate case filed 9/30/08.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u>
	30_Industrial Sales_Pecos-Monahans Svc Area - Incorp. areas being served in the Texas counties of Reeves, Ward and Winkler

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9253

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 12/26/2001 ORIGINAL CONTRACT DATE: 12/26/2001 RECEIVED DATE: 12/01/2008
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID DESCRIPTION TEXAS GAS SERVICE
1-INC-Pec-Mon-IS-COG COMPANY

RATE
SCHEDULE NO. 1-INC
Pecos-Monahans Service Area
- West Texas Region
COST OF
GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Pecos-Monahans Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extend to the next following June). The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9253

RATE SCHEDULE

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DESCRIPTION

service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.C. COST OF GASIn addition to the cost of service as provided under its general service rate schedule, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Pecos City, Barstow, Monahans, and Thorntonville only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Pecos City, Barstow, Monahans, and Thorntonville, in accordance with the Settlement Agreement, are collected by the Company.D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENTIf the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.E. PAYMENT FOR USE OF FUNDSConcurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9253

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the El Paso, Texas Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues gathered by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December. (For Incorporated only) Supersedes Rate Sch. No. 1 Same Sheet Dated Meters Read On and After October 12, 1989 August 24, 2001

1B-Pec-Mon-IS-FrTx

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region RATE SCHEDULE 1B FRANCHISE TAXES APPLICABILITY All incorporated areas served by the Company in its Pecos Monahans Service Area including Pecos, Monahans, Pyote. City or Town City Franchise Tax* Billing Tax Factor /1 (a) (b) (c) Pecos 2.000% 2.0408%

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9253

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Monahans 2.000%
 2.0408% Pyote 2.000%

2.0408% * Franchise Tax Rate above the 2% embedded in rates. 1/ The tax rates in column (b) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. Supersedes Same Sheet Dated Meters Read On or After December 26, 2001 November 4, 2008

40-Pec-Mon-IS-PubSch

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region
 RATE SCHEDULE 40 PUBLIC SCHOOLS AND LOCAL GOVERNMENT
 APPLICABILITY Applicable to public schools and local government customers for all purposes. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY Incorporated areas being served in the Texas counties of Reeves, Ward and Winkler. COST OF SERVICE RATED During each monthly billing period: A customer charge of \$10.94 plus All Ccf @ .1836 per Ccf
 Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-INC multiplied by the total Ccf consumed during the billing month. City Franchise Fee: The Cost of Service rates shall be increased or decreased in the event that city franchise fees are increased or decreased from 2% after the effective date of these rates in accordance with Rate Schedule 1B. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other customers. 3. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S-1, Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Same Sheet Dated Meters Read On and After September 25, 2001 December 26, 2001

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY
 All Service Areas
 PIPELINE SAFETY PROGRAM FEES
 TEXAS ADMINISTRATIVE CODE
 TITLE 16
 ECONOMIC REGULATION PART 1
 RAILROAD COMMISSION OF TEXAS
 CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY
 Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9253

RATE SCHEDULESCHEDULE IDDESCRIPTION

revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9253

RATE SCHEDULESCHEDULE IDDESCRIPTION

with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated

Meters

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9253

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	Read On and After March 30, 2007 March 31, 2008

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9253

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8862	N	Ccf	\$.4933	11/04/2008
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.4933	11/04/2008
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.4883	11/04/2008
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8861	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	BARSTOW - INC (PECOS-MONAHANS SVC AREA)			
8865	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PECOS-MONAHANS SVC AREA)			
8866	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	WICKETT - INC (PECOS-MONAHANS SVC AREA)			
8867	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	WINK - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.6599	12/02/2008
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.6599	12/02/2008
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.6532	12/02/2008
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.6554	01/02/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.6554	01/02/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.6487	01/02/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.4850	01/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.4850	01/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.4801	01/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310	COMPANY NAME: TEXAS GAS SERVICE COMPANY
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TARIFF CODE: DS	RRC TARIFF NO: 9253
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REASONS FOR FILING

NEW?: N	RRC DOCKET NO:	CITY ORDINANCE NO:
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AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate1B revised for the Cities applicable eff.11/04/08. The Cities of Monahans, Pecos and Pyote Texas suspended action on the rate case filed 9/30/08.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
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M	Other(with detailed explanation)
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<u>OTHER TYPE DESCRIPTION</u>	40_Public Schools and Local Gov't Sales_Pecos-Monahans Svc Area - Incorp. areas being served in the Texas counties of Reeves, Ward and Winkler
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GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9254

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/26/2001 ORIGINAL CONTRACT DATE: 12/26/2001 RECEIVED DATE: 12/01/2008
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-INC-Pec-Mon-IS-COG		TEXAS GAS SERVICE
	COMPANY	
		RATE
	SCHEDULE NO. 1-INC	
		Pecos-Monahans Service Area
	- West Texas Region	
		COST OF
	GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Pecos-Monahans Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extend to the next following June). The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9254

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.C. COST OF GASIn addition to the cost of service as provided under its general service rate schedule, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Pecos City, Barstow, Monahans, and Thorntonville only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Pecos City, Barstow, Monahans, and Thorntonville, in accordance with the Settlement Agreement, are collected by the Company.D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENTIf the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.E. PAYMENT FOR USE OF FUNDSConcurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9254

RATE SCHEDULE

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DESCRIPTION

credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the El Paso, Texas Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues gathered by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December. (For Incorporated only) Supersedes Rate Sch. No. 1 Same Sheet Dated Meters Read On and After October 12, 1989 August 24, 2001

1B-Pec-Mon-IS-FrTx

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region RATE SCHEDULE 1B FRANCHISE TAXES APPLICABILITY All incorporated areas served by the Company in its Pecos Monahans Service Area including Pecos, Monahans, Pyote. City or Town City Franchise Tax* Billing Tax Factor /1 (a) (b) (c) Pecos 2.000% 2.0408%

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9254

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Monahans 2.000%
2.0408% Pyote 2.000%

2.0408% * Franchise Tax Rate above the 2% embedded in rates. 1/ The tax rates in column (b) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. Supersedes Same Sheet Dated Meters Read On or After December 26, 2001 November 4, 2008

48-Pec-Mon-IS-StFed

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region
RATE SCHEDULE 48 STATE AND FEDERAL GOVERNMENT SERVICE
RATEAPPLICABILITYApplicable to public authority customers not eligible for Rate Schedule 40. This rate is only available to full requirements customers of Texas Gas Service Company.TERRITORYIncorporated areas being served in the Texas counties of Reeves, Ward and Winkler.COST OF SERVICE RATEDuring each monthly billing period:A Customer Charge of \$10.94 plus -The First 30 Ccf @ .3279 per CcfThe Next 970 Ccf @ .2254 per CcfAll Over 1,000 Ccf @ .2080 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1-INC multiplied by the total Ccf consumed during the billing month.City Franchise Fee: The Cost of Service rates shall be increased or decreased in the event that city franchise fees are increased or decreased from 2% after the effective date of these rates in accordance with Rate Schedule 1B.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other consumers.3. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S-1, Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Same Sheet Dated Meters Read On and After September 25, 2001 December 26, 2001

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY
All Service Areas
PIPELINE SAFETY PROGRAM FEES
TEXAS ADMINISTRATIVE CODE
TITLE 16
ECONOMIC REGULATION PART 1
RAILROAD COMMISSION OF TEXAS
CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY
Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9254

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9254

RATE SCHEDULESCHEDULE IDDESCRIPTION

101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9254

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
	Supersedes Same Sheet Dated	Meters
	Read On and After	
	March 30, 2007	
	March 31, 2008	

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9254

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8862	N	Ccf	\$.4933	11/04/2008
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.4933	11/04/2008
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.4883	11/04/2008
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8861	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	BARSTOW - INC (PECOS-MONAHANS SVC AREA)			
8865	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PECOS-MONAHANS SVC AREA)			
8866	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	WICKETT - INC (PECOS-MONAHANS SVC AREA)			
8867	N	Ccf	\$.0000	11/04/2008
<u>CUSTOMER NAME</u>	WINK - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.6599	12/02/2008
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.6599	12/02/2008
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.6532	12/02/2008
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.6554	01/02/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.6554	01/02/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.6487	01/02/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8862	N	Ccf	\$.4850	01/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8863	N	Ccf	\$.4850	01/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8864	N	Ccf	\$.4801	01/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310	COMPANY NAME: TEXAS GAS SERVICE COMPANY
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TARIFF CODE: DS	RRC TARIFF NO: 9254
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REASONS FOR FILING

NEW?: N	RRC DOCKET NO:	CITY ORDINANCE NO:
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AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate1B revised for the Cities applicable eff.11/04/08. The Cities of Monahans, Pecos and Pyote Texas suspended action on the rate case filed 9/30/08.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
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M	Other(with detailed explanation)
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<u>OTHER TYPE DESCRIPTION</u>	48_State and Federal Gov't Sales_Pecos-Monahans Svc Area - Incorp. areas being served in the Texas counties of Reeves, Ward and Winkler
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GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9255

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 10/19/1992 ORIGINAL CONTRACT DATE: 10/19/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9255

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-Pec-Mon-OS-COG

TEXAS GAS SERVICE

COMPANY

Pecos-Monahans Service Area - West

Texas Region

RATE SCHEDULE

NO. 1

COST OF GAS

CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9255

RATE SCHEDULESCHEDULE IDDESCRIPTION

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Pecos-Monahans Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extend to the next following June). The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia.

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 9255

RATE SCHEDULESCHEDULE IDDESCRIPTION

Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9255

RATE SCHEDULESCHEDULE IDDESCRIPTION

longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,
 (2) over the same number of units sold during the period of the over or under charge, or
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the El Paso, Texas Cost of Purchased Gas;
 (b) that cost multiplied by the Purchase/Sales Ratio;
 (c) the amount of the cost of gas caused by any surcharge or refund;
 (d) the Reconciliation Component;
 (e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and
 (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December.

I. PRIOR BALANCE

Any over or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clause in effect prior to the effective date of this

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

cost of gas clause, remaining at the end of the month in which this clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) sold during the period commencing with the month in which this clause first becomes effective and extending through the next following September. The result of this division will be included in the Cost of Gas for the second month succeeding the month in which this clause becomes effective, and each month thereafter through the month of September 1984 as the initial Reconciliation Component. The Cost of Gas for the first month succeeding the month in which this clause becomes effective shall contain no Reconciliation Component.

Supersedes Same Sheet Dated

Meters Read On and After

October 12, 1989 August 24, 2001

1Z-Pec-Mon-OS-Res

TEXAS GAS SERVICE

COMPANY

Pecos-Monahans Service Area - West

Texas Region

RATE SCHEDULE 1Z

RESIDENTIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer for a single family residential unit when served through a single meter. This rate is only available to full requirements customers of Texas Gas Service Company

TERRITORY

Unincorporated areas being served in the Texas counties of Reeves, Ward and Winkler.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$7.11 plus
 The First 30 Ccf @ .2214 per Ccf
 All Over 30 Ccf @ .1778 per Ccf

Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.

CONDITIONS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY**TARIFF CODE: DS RRC TARIFF NO: 9255****RATE SCHEDULE**SCHEDULE IDDESCRIPTION

1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.
2. Residential service shall have priority in supply.
3. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S-1, Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate.

Supersedes Rate Schedule 1Z

effective Gas Sold On and After December 27, 1989

October 19, 1992

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9255

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8870	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9255

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8870	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9255

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8872	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8125-8131 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1Z_Residential Sales_Pecos-Monahans Svc Area - Environs of areas being served in the Texas counties of Reeves, Ward and Winkler

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9257

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 10/19/1992 ORIGINAL CONTRACT DATE: 10/19/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Pec-Mon-OS-COG	TEXAS GAS SERVICE COMPANY
	Pecos-Monahans Service Area - West Texas Region
	RATE SCHEDULE NO. 1
	COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Pecos-Monahans Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extend to the next following June). The audit shall determine:	
(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9257

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9257

RATE SCHEDULESCHEDULE IDDESCRIPTION

Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the El Paso, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9257

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December.

I. PRIOR BALANCE

Any over or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clause in effect prior to the effective date of this cost of gas clause, remaining at the end of the month in which this clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) sold during the period commencing with the month in which this clause first becomes effective and extending through the next following September. The result of this division will be included in the Cost of Gas for the second month succeeding the month in which this clause becomes effective, and each month thereafter through the month of September 1984 as the initial Reconciliation Component. The Cost of Gas for the first month succeeding the month in which this clause becomes effective shall contain no Reconciliation Component.

Supersedes Same Sheet Dated

Meters Read On and After

October 12, 1989 August 24, 2001

2Z-Pec-Mon-OS-Com

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region
 RATE SCHEDULE 2Z COMMERCIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to Commercial customers and any customer whose primary business activity at the location served is not provided for under any other rate schedule. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY Unincorporated areas being served in the Texas counties of Reeves, Ward and Winkler. COST OF SERVICE RATEDuring each monthly billing period: A Customer Charge of \$10.94 plus The first 30 Ccf @ .2787 per Ccf The Next 70 Ccf @ .2143 per Ccf The Next 900 Ccf @ .1926 per Ccf All Over 1,000 Ccf @ .1814 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9257

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other consumers.3. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S-1, Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Rate Schedule 2Z effective Gas Sold On and After December 27, 1989 October 19, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 9257

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8868	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9257

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8870	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9257

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8872	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8125-8131 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2Z_Commercial Sales_Pecos-Monahans Svc Area - Environs of areas being served in the Texas counties of Reeves, Ward and Winkler

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9258

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 10/19/1992 ORIGINAL CONTRACT DATE: 10/19/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Pec-Mon-OS-COG	TEXAS GAS SERVICE COMPANY
	Pecos-Monahans Service Area - West Texas Region
	RATE SCHEDULE NO. 1
	COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Pecos-Monahans Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extend to the next following June). The audit shall determine:	
(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9258

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9258

RATE SCHEDULESCHEDULE IDDESCRIPTION

Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the El Paso, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9258

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December.

I. PRIOR BALANCE

Any over or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clause in effect prior to the effective date of this cost of gas clause, remaining at the end of the month in which this clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) sold during the period commencing with the month in which this clause first becomes effective and extending through the next following September. The result of this division will be included in the Cost of Gas for the second month succeeding the month in which this clause becomes effective, and each month thereafter through the month of September 1984 as the initial Reconciliation Component. The Cost of Gas for the first month succeeding the month in which this clause becomes effective shall contain no Reconciliation Component.

Supersedes Same Sheet Dated

Meters Read On and After

October 12, 1989 August 24, 2001

3Z-Pec-Mon-OS-Ind

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region
RATE SCHEDULE 3Z INDUSTRIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the US. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Division E and J - Utility and Government - facilities generating power for resale only This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY Unincorporated areas being served in the Texas counties of Reeves, Ward and Winkler. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$27.34 plus -The First 100 Ccf @ .1935 per Ccf The Next 900 Ccf @ .1829 per Ccf All Over 1,000 Ccf @ .1657 per Ccf Cost of Gas Component:
In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. Connection Fee: A charge of \$300 will be paid before any connection will be made for gas for operation of temporary gas and oil drilling

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9258

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

rigs.CONDITIONS1. This optional rate schedule must be requested by the customer.2.
A contract must be signed for a period covering not less than 12 consecutive
months. 3. Delivery of gas hereunder may be interrupted or curtailed in the
discretion of the Company, in case of shortage or threatened shortage of gas supply
from any cause whatsoever, to conserve gas for other consumers.4. The
applicability section of this rate notwithstanding, if a customer, other than a
full requirements customer, pays a standby charge pursuant to Rate Schedule S-1,
Texas Gas Service Company will maintain facilities and supply capability to serve
said customer. If standby payments are current, the customer will qualify for this
rate. Supersedes Same Rate Schedule 3Z dated Gas Sold On and After December
27, 1989 October 19, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)

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SCHEDULE ID

DESCRIPTION

the unit rate and total amount of the surcharge billed to each customer;
 (C) the date or dates on which the surcharge was billed to customers; and
 (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

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>
8868	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			

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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>
8870	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			

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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>
8872	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8125-8131 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3Z_Industrial Sales_Pecos-Monahans Svc Area - Environs of areas being served in the Texas counties of Reeves, Ward and Winkler

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9259

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 10/19/1992 ORIGINAL CONTRACT DATE: 10/19/1992 RECEIVED DATE: 04/08/2009
GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Pec-Mon-OS-COG	TEXAS GAS SERVICE COMPANY
	Pecos-Monahans Service Area - West Texas Region
	RATE SCHEDULE NO. 1
	COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Pecos-Monahans Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extend to the next following June). The audit shall determine:	
(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9259

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Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the El Paso, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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RATE SCHEDULE

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H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December.

I. PRIOR BALANCE

Any over or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clause in effect prior to the effective date of this cost of gas clause, remaining at the end of the month in which this clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) sold during the period commencing with the month in which this clause first becomes effective and extending through the next following September. The result of this division will be included in the Cost of Gas for the second month succeeding the month in which this clause becomes effective, and each month thereafter through the month of September 1984 as the initial Reconciliation Component. The Cost of Gas for the first month succeeding the month in which this clause becomes effective shall contain no Reconciliation Component.

Supersedes Same Sheet Dated

Meters Read On and After

October 12, 1989 August 24, 2001

4H-Pec-Mon-OS-StFed

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region

RATE SCHEDULE 4H STATE AND FEDERAL GOVERNMENT SERVICE

RATE APPLICABILITY Applicable to public authority customers not eligible for Rate Schedule 4H. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY Unincorporated areas being served in the Texas counties of Reeves, Ward and Winkler. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$10.94 plus -The First 30 Ccf @ .3279 per Ccf The Next 970 Ccf @ .2254 per Ccf All Over 1,000 Ccf @ .2080 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other consumers. 3. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer,

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TARIFF CODE: DS RRC TARIFF NO: 9259

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

PSF-All-ISOS-PipeFee	<p>pays a standby charge pursuant to Rate Schedule S-1, Texas Gas Service Company will maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Rate Schedule 4H effective Gas Sold On and After December 27, 1989 October 19, 1992</p> <p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6)</p>
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GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9259

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9259

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8868	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9259

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8870	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9259

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8872	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8125-8131 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4H_State and Federal Gov't Sales_Pecos-Monahans Svc Area - Environs of areas being served in the Texas counties of Reeves, Ward and Winkler

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9260

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 10/19/1992 ORIGINAL CONTRACT DATE: 10/19/1992 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Pec-Mon-OS-COG	TEXAS GAS SERVICE COMPANY
	Pecos-Monahans Service Area - West Texas Region
	RATE SCHEDULE NO. 1
	COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Pecos-Monahans Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extend to the next following June). The audit shall determine:	
(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9260

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9260

RATE SCHEDULESCHEDULE IDDESCRIPTION

Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the El Paso, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9260

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. The report shall be filed concurrently with the Cost of Gas Statement for December.

I. PRIOR BALANCE

Any over or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clause in effect prior to the effective date of this cost of gas clause, remaining at the end of the month in which this clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) sold during the period commencing with the month in which this clause first becomes effective and extending through the next following September. The result of this division will be included in the Cost of Gas for the second month succeeding the month in which this clause becomes effective, and each month thereafter through the month of September 1984 as the initial Reconciliation Component. The Cost of Gas for the first month succeeding the month in which this clause becomes effective shall contain no Reconciliation Component.

Supersedes Same Sheet Dated

Meters Read On and After

October 12, 1989 August 24, 2001

4Z-Pec-Mon-OS-PubSch

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region
RATE SCHEDULE 4Z PUBLIC SCHOOLS AND LOCAL

GOVERNMENT APPLICABILITY Applicable to public schools and local government customers for all purposes. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY Unincorporated areas being served in the Texas counties of Reeves, Ward and Winkler. COST OF SERVICE RATE During each monthly billing period: A customer charge of \$10.94 plus All Ccf @ .1836 per Ccf
Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CONDITIONS 1. Subject in all respects to applicable laws, rules and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other customers. 3. The applicability section of this rate notwithstanding, if a customer, other than a full requirements customer, pays a standby charge pursuant to Rate Schedule S-1, Texas Gas Service Company will

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9260

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

maintain facilities and supply capability to serve said customer. If standby payments are current, the customer will qualify for this rate. Supersedes Rate Schedule 4Z effective Gas Sold On and After December 27, 1989 October 19, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9260

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009</p>

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9260

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8868	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4208	03/31/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4006	04/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9260

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8870	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.4163	06/01/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3686	06/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9260

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8872	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3747	07/30/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			
8868	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	BARSTOW - ENV (PECOS-MONAHANS SVC AREA)			
8869	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - ENV (PECOS-MONAHANS SVC AREA)			
8870	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	PECOS CITY-ENV (PECOS-MONAHANS SVC AREA)			
8871	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	PYOTE - ENV (PECOS-MONAHANS SVC AREA)			
8872	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - ENV (PECOS-MONAHANS SVC AREA)			
8873	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	WICKETT - ENV (PECOS-MONAHANS SVC AREA)			
8874	N	Ccf	\$.3042	08/28/2009
<u>CUSTOMER NAME</u>	WINK - ENV (PECOS-MONAHANS SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8125-8131 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4Z_Public Schools and Local Gov't Sales_Pecos-Monahans Svc Area - Environs of areas being served in the Texas counties of Reeves, Ward and Winkler

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9261

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/31/1986 ORIGINAL CONTRACT DATE: 12/31/1986 RECEIVED DATE: 04/03/2008
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees</p> <p>(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.</p> <p>(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.</p> <p>(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.</p> <p>(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.</p> <p>(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:</p> <p>(A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9261

RATE SCHEDULESCHEDULE IDDESCRIPTION

date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9261

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated Meters
Read On and After
March 30, 2007
March 31, 2008

S-1-Pec-Mon-IS-Stand

TEXAS GAS SERVICE COMPANY Pecos-Monahans Service Area - West Texas Region
RATE SCHEDULE S-1 STANDBY SERVICE RATE APPLICABILITY Applicable to all customers who have alternative natural gas transmission or distribution facilities physically conformed to supply natural gas service to them and who are not full requirements Texas Gas Service Company customers. TERRITORY Incorporated areas being served in the Texas counties of Reeves, Ward and Winkler. RATE During each monthly billing period, the charge shall be \$100 plus \$20 per Mcf/hr. of connected rated capacity of natural gas consuming equipment. CONDITIONS 1. This charge shall cause the Company to maintain a connection with the customer including metering and regulation facilities. The Company will also arrange with suppliers for sufficient gas reserve assurance so that the customer can resume service upon reasonable notice to the Company. 2. Company engineers shall have the right and be afforded the opportunity by the customer to inspect the facilities to properly ascertain the gas-using capacity on the customer's premises. 3. Subject in all respects to applicable laws, rules, regulations from time to time in effect. New Rate Schedule Meters Read On and After December 31, 1986

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9261

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8863	N			
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PECOS-MONAHANS SVC AREA)			
8861	N			
<u>CUSTOMER NAME</u>	BARSTOW - INC (PECOS-MONAHANS SVC AREA)			
8862	N			
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PECOS-MONAHANS SVC AREA)			
8864	N			
<u>CUSTOMER NAME</u>	PYOTE - INC (PECOS-MONAHANS SVC AREA)			
8865	N			
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PECOS-MONAHANS SVC AREA)			
8866	N			
<u>CUSTOMER NAME</u>	WICKETT - INC (PECOS-MONAHANS SVC AREA)			
8867	N			
<u>CUSTOMER NAME</u>	WINK - INC (PECOS-MONAHANS SVC AREA)			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/07 was superseded 3/31/08. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	S-1_Standby Service_Pecos-Monahans Svc Area - Incorp. areas being served in the Texas counties of Reeves, Ward and Winkler

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9265

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 10/01/1992 ORIGINAL CONTRACT DATE: 10/01/1992 RECEIVED DATE: 04/03/2008
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-INC-Nixon-IS-COG		TEXAS GAS
	SERVICE COMPANY	
		Nixon Service Area
	- Central Texas Region	
		RATE
	SCHEDULE 1-INC	
		COST
	OF GAS CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all general service rate schedules, other than industrial, of Texas Gas Service Company (The Company) in the incorporated area of its Nixon, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit of the total calculation under this clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. This amount shall not include the cost for gas purchased for industrial customers.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this cost of gas clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharge of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this cost of gas clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer, in the incorporated area of Nixon only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to the incorporated area of Nixon, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9265

RATE SCHEDULESCHEDULE IDDESCRIPTION

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9265

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October.

(For Incorporated only)

Supersedes Rate Sch. 1

Same Sheet Dated

Meters Read On and After October 1, 1992 August 24, 2001

40-Nixon-IS-PubA

TEXAS GAS SERVICE COMPANY Nixon Service Area - Central Texas Region
RATE SCHEDULE 40 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. TERRITORY All customers in the incorporated area of Nixon, Texas in the Central Texas South Service Area. COST OF SERVICE RATED During each monthly

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9265

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

billing period: A customer charge per meter per month of \$5.00 plus - All Ccf per monthly billing period @ \$.2900 per Ccf
 Prompt Payment Provision: The rates set forth above are net for prompt payment. After ten days following rendering of the bill, an additional ten percent penalty will be added if the bill has not been paid.
 OTHER APPLICABLE SCHEDULES In addition to the Cost of Service set forth above, each customer's bill shall include the following:
 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC.
 2. The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Clause, Rate Schedule WNC (effective July 1993).
 CONDITIONS
 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Meters Read On and After Initial Rate October 1, 1992 (Revised)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY
 All Service Areas
 PIPELINE SAFETY PROGRAM FEES
 TEXAS ADMINISTRATIVE CODE
 TITLE 16
 ECONOMIC REGULATION PART 1
 RAILROAD COMMISSION OF TEXAS
 CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY
 Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9265

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9265

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated Meters
Read On and After
March 30, 2007
March 31, 2008

WNC-Nixon-IS

TEXAS GAS SERVICE COMPANY Nixon Service Area - Central Texas Region RATE SCHEDULE
WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following General Service rate schedules of Texas Gas Service Company in its Central Texas South Service Area for the City of Nixon, Texas: 10, 20, and 40. The WNC rate shall be computed monthly and adjusted monthly for each billing district. B. PURPOSE The WNC is designed to refund and/or surcharge over-collections and/or under-collections of revenue due to colder and/or warmer than normal weather. C. WNC MECHANISM In order to reflect weather variances in a timely and accurate manner, the WNC rate shall be calculated separately for each billing district, by rate code. Monthly WNC adjustments shall be based upon year-to-year weather information for annual periods beginning with September and ending the following August. The WNC adjustment shall be based on the following formula:
WNC Rate = WNC D where CMV WNC D = Weather Normalization Clause Dollars to be collected from each billing district, by rate class. This factor shall be BASED ON THE FOLLOWING FORMULA: WNC D = [(HL/WF) - HL]*BR - C + R, where HL = Year-to-date heating load volumes; WF = Weather Factor = Year-to-year actual degree days divided by the year-to-date normal degree days; BR = Base Rate = The current base rate for the particular class; C

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9265

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

= Year-to-date collections; and R = Year-to-date refunds; CMV = Current month volumes. D. FILING WITH THE CITY The Company will file with the City monthly reports showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the City an annual report verifying the past year's WNC collections or refunds. Effective July 1, 1993

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>
8841	N	Ccf	\$1.1691	03/31/2008
<u>CUSTOMER NAME</u>	NIXON - INC			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/07 was superseded 3/31/08. New annual rate.

SERVICES

TYPE OF SERVICE SERVICE DESCRIPTION

D Public Authority Sales

OTHER TYPE DESCRIPTION

M Other(with detailed explanation)

OTHER TYPE DESCRIPTION 40_Public Authority Sales_Nixon Svc Area - Incorpor. Nixon, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9266

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/26/2001 ORIGINAL CONTRACT DATE: 12/26/2001 RECEIVED DATE: 04/02/2008
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION																					
1B-Andrews-IS-FrGrTx	TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region RATE SCHEDULE 1B FRANCHISE & GROSS RECEIPTS TAXES APPLICABILITY All incorporated areas served by the Company in its Andrews Service Area including Andrews. <table border="1"> <thead> <tr> <th>City or Town</th> <th>City Franchise Tax*</th> <th>Gross Receipt Tax</th> </tr> <tr> <th>(b)</th> <th>Billing Tax Factor /1 (a)</th> <th>(c)</th> </tr> <tr> <th>(d)</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>Andrews</td> <td>2.000%</td> <td></td> </tr> <tr> <td>1.070%</td> <td>3.1672%</td> <td></td> </tr> <tr> <td>Andrews</td> <td>N/A</td> <td></td> </tr> <tr> <td>1.070%</td> <td>1.0815%</td> <td></td> </tr> </tbody> </table> <p>1/ The tax rates in column (b) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits.</p> <p>Initial Schedule Meters Read On or After December 26, 2001</p>	City or Town	City Franchise Tax*	Gross Receipt Tax	(b)	Billing Tax Factor /1 (a)	(c)	(d)			Andrews	2.000%		1.070%	3.1672%		Andrews	N/A		1.070%	1.0815%	
City or Town	City Franchise Tax*	Gross Receipt Tax																				
(b)	Billing Tax Factor /1 (a)	(c)																				
(d)																						
Andrews	2.000%																					
1.070%	3.1672%																					
Andrews	N/A																					
1.070%	1.0815%																					
PSF-All-ISOS-PipeFee	TEXAS GAS SERVICE COMPANY All Service Areas PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees																					

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9266

RATE SCHEDULESCHEDULE IDDESCRIPTION

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9266

RATE SCHEDULESCHEDULE IDDESCRIPTION

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733;

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9266

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated Meters
 Read On and After
 March 30, 2007
 March 31, 2008

WNC-Andrews-IS

TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region RATE SCHEDULE
 WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following general service rate schedules of Texas Gas Service Company in its Andrews Service Area: 10, 20, 40, and 48. The WNC shall be effective during the September through May billing cycles. B. PURPOSE The WNC refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNC adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNC volume adjustment is priced at the current cost of service rate per Ccf to determine a WNC revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the City monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNC collections or refunds. Supersedes Rate Sheet Dated Meters Read On and After
 May 1, 1993 December 1, 1999

1-INC-Andrews-IS-COG

TEXAS GAS SERVICE COMPANY

Andrews Service Area - West

Texas Region

RATE SCHEDULE NO. 1-

INC

COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated area of its Andrews, Texas Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this cost of gas clause, consisting of the commodity cost, a reconciliation component and

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9266

RATE SCHEDULESCHEDULE IDDESCRIPTION

related fees (including franchise fees) and taxes.

2. Commodity Cost - The cost of purchased gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extended to the next following June). The audit shall determine: (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchases/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9266

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9266

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Andrews, Texas Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues gathered by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORTThe Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account.This report shall be filed concurrently with the Cost of Gas Statement for December.

(For Incorporated only)
 Supersedes Rate Sch. No. 1 Same Sheet Dated
 Meters Read On and After

May 1, 1993 August 24, 2001

10-Andrews-IS-Res

TEXAS GAS SERVICE

COMPANY

Andrews Service Area - West

Texas Region
 RATE SCHEDULE 10

RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.

TERRITORY

All customers in the incorporated area of Andrews, Texas.

COST OF SERVICE RATE

During each monthly billing period:

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9266

RATE SCHEDULESCHEDULE IDDESCRIPTION

A customer charge per meter per month of \$9.00 plus -
All Ccf \$.0817 per Ccf

OTHER APPLICABLE SCHEDULES

In addition to the Cost of Service set forth above, each customer's bill shall include the following:

1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC.
2. The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Clause, Rate Schedule WNC.
3. The recovery of franchise taxes, sales taxes, Texas gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B.

PROMPT PAYMENT PROVISION

None. Above rates are net.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Residential service shall have priority in supply.

Supersedes Rate Sheet Dated

December 1, 1999

Meters Read On and After

December 26, 2001

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9266

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8875	N	Ccf	\$.8884	03/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.0394	04/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.0736	06/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.2259	07/01/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.8468	07/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.6905	08/29/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4787	09/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3302	10/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3302	11/04/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4882	12/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4810	01/02/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3057	01/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:
 AMENDMENT(EXPLAIN):
 OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/07 was superseded 3/31/08. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	10_Residential Sales_Andrews Svc Area - Incorp. Andrews, TX

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9267

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/26/2001 ORIGINAL CONTRACT DATE: 12/26/2001 RECEIVED DATE: 04/02/2008
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-INC-Andrews-IS-COG	TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
INC	RATE SCHEDULE NO. 1- COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated area of its Andrews, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this cost of gas clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.	
2. Commodity Cost - The cost of purchased gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extended to the next following June). The audit shall determine: (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9267

RATE SCHEDULESCHEDULE IDDESCRIPTION

or operation of this Cost of Gas Clause, and (d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchases/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9267

RATE SCHEDULESCHEDULE IDDESCRIPTION

the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Andrews, Texas Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues gathered by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9267

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(For Incorporated only)
Supersedes Rate Sch. No. 1 Same Sheet Dated
Meters Read On and After
May 1, 1993

August 24, 2001

1B-Andrews-IS-FrGrTx

TEXAS GAS SERVICE

COMPANY

Andrews Service Area - West

Texas Region

RATE SCHEDULE 1B

FRANCHISE & GROSS RECEIPTS TAXES

APPLICABILITY

All incorporated areas served by the Company in its Andrews Service Area including Andrews.

City or Town
Tax

City Franchise Tax*
Billing Tax Factor /1 (a)

Gross Receipt

(b)

(c)

(d)

Andrews		2.000%	
1.070%		3.1672%	
Andrews		N/A	
1.070%		1.0815%	

1/ The tax rates in column (b) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits.

Initial Schedule

Meters Read On or After

December 26, 2001

20-Andrews-IS-Com

TEXAS GAS SERVICE COMPANY

Andrews Service Area - West Texas

Region

RATE SCHEDULE 20

COMMERCIAL SERVICE RATE

APPLICABILITY

Applicable to commercial customers and to customers not otherwise specifically

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9267

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

provided for under any other rate schedule.

TERRITORY

All customers in the incorporated area of Andrews, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A customer charge per meter per month of \$15.00 plus -

All Ccf \$.0898 per Ccf

OTHER APPLICABLE SCHEDULES

In addition to the Cost of Service set forth above, each customer's bill shall include the following:

1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC.
2. The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Clause, Rate Schedule WNC.
3. The recovery of franchise taxes, sales taxes, Texas gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B.

PROMPT PAYMENT PROVISION

None. Above rates are net.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.

Supersedes Rate Sheet Dated

Meters Read On and After

December 1, 1999

December 26, 2001

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY
 All Service Areas
 PIPELINE SAFETY PROGRAM FEES
 TEXAS ADMINISTRATIVE CODE
 TITLE 16
 ECONOMIC REGULATION PART 1

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9267

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

RAILROAD COMMISSION OF TEXAS
 CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY
 Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9267

RATE SCHEDULESCHEDULE IDDESCRIPTION

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9267

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.</p> <p>Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121</p> <p>Supersedes Same Sheet Dated Meters Read On and After March 30, 2007 March 31, 2008</p>
WNC-Andrews-IS	<p>TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region RATE SCHEDULE WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following general service rate schedules of Texas Gas Service Company in its Andrews Service Area: 10, 20, 40, and 48. The WNC shall be effective during the September through May billing cycles. B. PURPOSE The WNC refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNC adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNC volume adjustment is priced at the current cost of service rate per Ccf to determine a WNC revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the City monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNC collections or refunds. Supersedes Rate Sheet Dated Meters Read On and After May 1, 1993 December 1, 1999</p>

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9267

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8875	N	Ccf	\$.8884	03/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.0394	04/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.0736	06/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.2259	07/01/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.8468	07/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.6905	08/29/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4787	09/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3302	10/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3302	11/04/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4882	12/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4810	01/02/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3057	01/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/07 was superseded 3/31/08. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other (with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	20_Commercial Sales_Andrews Svc Area - Incorpor. Andrews, TX

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9268

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/26/2001 ORIGINAL CONTRACT DATE: 12/26/2001 RECEIVED DATE: 04/02/2008
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-INC-Andrews-IS-COG	TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
INC	RATE SCHEDULE NO. 1- COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated area of its Andrews, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this cost of gas clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.	
2. Commodity Cost - The cost of purchased gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extended to the next following June). The audit shall determine: (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases	

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9268

RATE SCHEDULESCHEDULE IDDESCRIPTION

or operation of this Cost of Gas Clause, and (d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchases/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9268

RATE SCHEDULESCHEDULE IDDESCRIPTION

the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Andrews, Texas Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues gathered by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9268

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(For Incorporated only)
Supersedes Rate Sch. No. 1 Same Sheet Dated
Meters Read On and After
May 1, 1993

August 24, 2001

1B-Andrews-IS-FrGrTx

TEXAS GAS SERVICE

COMPANY

Andrews Service Area - West

Texas Region

RATE SCHEDULE 1B

FRANCHISE & GROSS RECEIPTS TAXES

APPLICABILITY

All incorporated areas served by the Company in its Andrews Service Area including Andrews.

City or Town Tax	City Franchise Tax* Billing Tax Factor /1	(a)	Gross Receipt (c)
(b)	(d)		

Andrews		2.000%	
1.070%		3.1672%	
Andrews		N/A	
1.070%		1.0815%	

1/ The tax rates in column (b) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits.

Initial Schedule

Meters Read On or After

December 26, 2001

30-Andrews-IS-Ind

TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region

RATE SCHEDULE 30 INDUSTRIAL SERVICE RATEAPPLICABILITY

Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the US. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Division E and J - Utility and Government - facilities generating power for resale only TERRITORY All customers in the incorporated area of Andrews, Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$20.00 plus -All Ccf \$.1189 per Ccf OTHER APPLICABLE SCHEDULES In addition to the Cost of Service set forth above, each customer's bill shall include

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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DESCRIPTION

the following:1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC.2. The recovery of franchise taxes, sales taxes, Texas gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B.PROMPT PAYMENT PROVISIONNone. Above rates are net.CONDITIONS1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed in the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Rate Sheet Dated Meters Read On and After December 1, 1999 December 26, 2001

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY
 All Service Areas
 PIPELINE SAFETY PROGRAM FEES
 TEXAS ADMINISTRATIVE CODE
 TITLE 16
 ECONOMIC REGULATION PART 1
 RAILROAD COMMISSION OF TEXAS
 CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY
 Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

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(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this

GAS SERVICES DIVISION
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TARIFF CODE: DS RRC TARIFF NO: 9268

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated Meters
 Read On and After
 March 30, 2007
 March 31, 2008

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9268

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8875	N	Ccf	\$.8884	03/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.0394	04/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.0736	06/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.2259	07/01/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.8468	07/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.6905	08/29/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4787	09/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3302	10/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3302	11/04/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4882	12/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4810	01/02/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3057	01/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC			

REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/07 was superseded 3/31/08. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	30_Industrial Sales_Andrews Svc Area - Incorpor. Andrews, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9269

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/26/2001 ORIGINAL CONTRACT DATE: 12/26/2001 RECEIVED DATE: 04/02/2008
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-INC-Andrews-IS-COG	TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
INC	RATE SCHEDULE NO. 1- COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated area of its Andrews, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this cost of gas clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.	
2. Commodity Cost - The cost of purchased gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extended to the next following June). The audit shall determine: (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9269

RATE SCHEDULESCHEDULE IDDESCRIPTION

or operation of this Cost of Gas Clause, and (d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchases/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Andrews, Texas Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues gathered by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9269

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(For Incorporated only)

Supersedes Rate Sch. No. 1 Same Sheet Dated
Meters Read On and After

May 1, 1993

August 24, 2001

1B-Andrews-IS-FrGrTx

TEXAS GAS SERVICE

COMPANY

Andrews Service Area - West

Texas Region

RATE SCHEDULE 1B

FRANCHISE & GROSS RECEIPTS TAXES

APPLICABILITY

All incorporated areas served by the Company in its Andrews Service Area including Andrews.

City or Town
Tax

City Franchise Tax*
Billing Tax Factor /1 (a)

Gross Receipt

(b)

(d)

(c)

Andrews

2.000%

1.070%

3.1672%

Andrews

N/A

1.070%

1.0815%

1/ The tax rates in column (b) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits.

Initial Schedule

Meters Read On or After

December 26, 2001

40-Andrews-IS-PubA

TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
RATE SCHEDULE 40 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to public authority customers for all uses if not otherwise specifically provided for.
TERRITORY All customers in the incorporated area of Andrews, Texas.
COST OF SERVICE During each monthly billing period: A customer charge per meter per month of \$15.00 plus - All Ccf \$.1142 per Ccf
OTHER APPLICABLE SCHEDULES In addition to the Cost of Service set forth above, each customer's bill shall include the following:
1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC.
2. The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Clause, Rate Schedule WNC.
3. The recovery of franchise taxes, sales taxes, Texas

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 9269

RATE SCHEDULE

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DESCRIPTION

gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B.PROMPT PAYMENT PROVISIONNone. Above rates are net.CONDITIONS1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Rate Sheet Dated Meters Read On and After December 1, 1999 December 26, 2001

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY
All Service Areas
PIPELINE SAFETY PROGRAM FEES
TEXAS ADMINISTRATIVE CODE
TITLE 16
ECONOMIC REGULATION PART 1
RAILROAD COMMISSION OF TEXAS
CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY
Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9269

RATE SCHEDULESCHEDULE IDDESCRIPTION

fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9269

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated Meters
Read On and After
March 30, 2007
March 31,2008

WNC-Andrews-IS

TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region RATE SCHEDULE
WNC WEATHER NORMALIZATION CLAUSEA. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following general service rate schedules of Texas Gas Service Company in its Andrews Service Area: 10, 20, 40, and 48. The WNC shall be effective during the September through May billing cycles.B. PURPOSEThe WNC refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.C. WNC MECHANISMIn order to reflect weather effects in a timely and accurate manner, the WNC adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNC volume adjustment is priced at the current cost of service rate per Ccf to determine a WNC revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.D. FILING WITH THE CITIESThe Company will file with the City monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNC collections or refunds. Supersedes Rate Sheet Dated Meters Read On and After
May 1, 1993 December 1, 1999

RATE ADJUSTMENT PROVISIONS

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9269

None

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8875	N	Ccf	\$.8884	03/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.0394	04/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.0736	06/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.2259	07/01/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.8468	07/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.6905	08/29/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4787	09/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3302	10/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3302	11/04/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4882	12/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4810	01/02/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3057	01/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/07 was superseded 3/31/08. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9269

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 40_Public Authority Sales_Andrews Svc Area - Incorp. Andrews, TX

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9270

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/26/2001 ORIGINAL CONTRACT DATE: 12/26/2001 RECEIVED DATE: 04/02/2008
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-INC-Andrews-IS-COG	TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
INC	RATE SCHEDULE NO. 1- COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated area of its Andrews, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this cost of gas clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.	
2. Commodity Cost - The cost of purchased gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extended to the next following June). The audit shall determine: (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9270

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

or operation of this Cost of Gas Clause, and (d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchases/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (b) the revenues produced by the operation of this Cost of Gas Clause, and (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9270

RATE SCHEDULESCHEDULE IDDESCRIPTION

the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts (1) over the same period of time as the over or under charge occurred, (2) over the same number of units sold during the period of the over or under charge, or (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth (a) the Andrews, Texas Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues gathered by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9270

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(For Incorporated only)
Supersedes Rate Sch. No. 1 Same Sheet Dated
Meters Read On and After
May 1, 1993

August 24, 2001

1B-Andrews-IS-FrGrTx

TEXAS GAS SERVICE

COMPANY

Andrews Service Area - West

Texas Region

RATE SCHEDULE 1B

FRANCHISE & GROSS RECEIPTS TAXES

APPLICABILITY

All incorporated areas served by the Company in its Andrews Service Area including Andrews.

City or Town Tax	City Franchise Tax* Billing Tax Factor /1	(a)	Gross Receipt (c)
(b)	(d)		

Andrews	2.000%		
1.070%	3.1672%		
Andrews	N/A		
1.070%	1.0815%		

1/ The tax rates in column (b) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits.

Initial Schedule

Meters Read On or After

December 26, 2001

48-Andrews-IS-PubSch

TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
RATE SCHEDULE 48 PUBLIC SCHOOLS AND LOCAL GOVERNMENT SERVICE
RATE APPLICABILITY Applicable to public schools and local government customers for all purposes. TERRITORY All customers in the incorporated area of Andrews, Texas. COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$20.00 plus -All Ccf \$.1408 per Ccf OTHER APPLICABLE SCHEDULES In addition to the Cost of Service set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC. 2. The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Clause, Rate Schedule WNC. 3. The recovery of sales taxes, Texas

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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DESCRIPTION

gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B.PROMPT PAYMENT PROVISIONNone. Above rates are net.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Rate Sheet Dated Meters Read On and After December 1, 1999 December 26, 2001

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY
 All Service Areas
 PIPELINE SAFETY PROGRAM FEES
 TEXAS ADMINISTRATIVE CODE
 TITLE 16
 ECONOMIC REGULATION PART 1
 RAILROAD COMMISSION OF TEXAS
 CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY
 Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

- (A) shall be a flat rate, one-time surcharge;
- (B) shall not be billed before the operator remits the pipeline safety program

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9270

RATE SCHEDULESCHEDULE IDDESCRIPTION

fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9270

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated Meters
Read On and After
March 30, 2007
March 31,2008

WNC-Andrews-IS

TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region RATE SCHEDULE
WNC WEATHER NORMALIZATION CLAUSEA. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following general service rate schedules of Texas Gas Service Company in its Andrews Service Area: 10, 20, 40, and 48. The WNC shall be effective during the September through May billing cycles.B. PURPOSEThe WNC refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.C. WNC MECHANISMin order to reflect weather effects in a timely and accurate manner, the WNC adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNC volume adjustment is priced at the current cost of service rate per Ccf to determine a WNC revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.D. FILING WITH THE CITIESThe Company will file with the City monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNC collections or refunds. Supersedes Rate Sheet Dated Meters Read On and After
May 1, 1993 December 1, 1999

RATE ADJUSTMENT PROVISIONS

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9270

None

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8875	N	Ccf	\$.8884	03/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.0394	04/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.0736	06/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$1.2259	07/01/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.8468	07/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.6905	08/29/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4787	09/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3302	10/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3302	11/04/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4882	12/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.4810	01/02/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC			
8875	N	Ccf	\$.3057	01/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/07 was superseded 3/31/08. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9270

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	48_Public Schools and Local Gov't Sales_Andrews Svc Area - Incorp. Andrews, TX

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9281

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2008 ORIGINAL CONTRACT DATE: 04/30/2008 RECEIVED DATE: 05/05/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
5-INC-SouthTx-IS-COG	<p>TEXAS GAS SERVICE COMPANY South Texas Service Area - Central Texas Region RATE SCHEDULE 5-INC COST OF GAS CLAUSE</p> <p>A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its South Texas Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees and taxes, including franchise fees.</p> <p>2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year.</p> <p>3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility.</p> <p>4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.</p> <p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company as a result of relevant gas purchases or operation of this cost of gas clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes and, (e) the total amount of</p>

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULESCHEDULE IDDESCRIPTION

uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account during September an amount equal to the average balance multiplied by six percent (6%).

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9281

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (e). This report shall be filed concurrently with the Cost of Gas Statement for October.

H. FIXED COST OF PURCHASED GAS - PILOT PROGRAM The Company may elect to offer a fixed price program to a select or limited group of customers for a specific period of time in order to study the participation levels, billing capability, and management issues of such a program should it be offered on a larger scale in the future. In this program, the Company will purchase and designate a specific package of gas at a fixed price for the program. The Company will select a specific group of customers and offer them the option to switch to the fixed cost of purchased gas for the duration of the program. The customers who elect to participate in this program must participate in the program for the entire duration of the program. Customers who participate in this program will have a fixed cost of purchased gas component of the cost of gas but will still be responsible for other charges in the cost of gas clause. At the end of the program, the customers who participated in the program will receive normal cost of gas charges as described in this cost of gas clause. Any difference in the amount of gas purchased and designated for this program and the amount of gas consumed by the participants in the program will be considered as gas purchased by the Company to provide service to general service customers as described in B. 5. Reconciliation Audit and B. 7.Reconciliation Account of this Cost of Gas clause. Participants in this plan may be required to sign up or the ABC Plan.

Supersedes Same Sheet Dated
and After
November 30, 2006
April 30, 2008

Meters Read On

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16

RATE SCHEDULE PSF PIPELINE
ECONOMIC REGULATION

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9281

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
 Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
 establishes a pipeline safety inspection fee, to be assessed annually against
 operators of natural gas distribution pipelines and pipeline facilities and natural
 gas master metered pipelines and pipeline facilities subject to the Commission's
 pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
 amount of revenue estimated to be collected under this section does not exceed the
 amount the Commission estimates to be necessary to recover the costs of
 administering the pipeline safety program under Texas Utilities Code, Chapter 121,
 excluding costs that are fully funded by federal sources, for any fiscal year.
 (b) The Commission hereby assesses each operator of a natural gas distribution
 system an annual pipeline safety program fee of \$0.50 for each service (service
 line) reported to be in service at the end of each calendar year by each system
 operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
 of each year. (1) Each operator of a natural gas distribution system shall
 calculate the total amount of the annual pipeline safety program fee to be paid to
 the Commission by multiplying the number of services listed in Part B, Section 3,
 of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
 due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
 a natural gas distribution system shall remit to the Commission on March 15 of each
 year, the amount calculated under paragraph (1) of this subsection. (3) Each
 operator of a natural gas distribution system shall recover, by a surcharge to its
 existing rates, the amount the operator paid to the Commission under paragraph (1)
 of this subsection. The surcharge: (A) shall be a flat rate, one-time
 surcharge; (B) shall not be billed before the operator remits the
 pipeline safety program fee to the Commission; (C) shall be applied in
 the billing cycle or cycles immediately following the date on which the operator
 paid the Commission; (D) shall not exceed \$0.50 per service or service
 line (For calendar year 2009 the annual pipeline safety program fee, effective with
 meters read on and after March 31, 2009, Texas Gas Service Company will bill all
 customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
 line) ; and (E) shall not be billed to a state agency, as that term is
 defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
 last billing cycle in which the pipeline safety program fee surcharge is billed to
 customers, each operator of a natural gas distribution system shall file with the
 Commission's Gas Services Division and the Safety Division a report showing:
 (A) the pipeline safety program fee amount paid to the Commission; (B)
 the unit rate and total amount of the surcharge billed to each customer;
 (C) the date or dates on which the surcharge was billed to customers; and
 (D) the total amount collected from customers from the surcharge. (5) Each
 operator of a natural gas distribution system that is a utility subject to the
 jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
 shall file a generally applicable tariff for its surcharge in conformance with the
 requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
 Amounts recovered from customers under this subsection by an investor-owned natural
 gas distribution system or a cooperatively owned natural gas distribution system
 shall not be included in the revenue or gross receipts of the system for the
 purpose of calculating municipal franchise fees or any tax imposed under Subchapter
 B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject
 to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3,

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9281

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCE-Rider-STX-ISOS

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE RCE-RIDER
RATE CASE EXPENSE SURCHARGE

A. APPLICABILITY

The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to Final Order in GUD 9790. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated and unincorporated areas served in Central Texas South Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas: 15, 25, 35, 1E, 2E, 3E, T-2 and T-3.

B. RCE RATE

All Ccf during each billing period: \$0.0119 per Ccf

This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules.

C. OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 9281

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

D. CONDITIONS
Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule Meters Read On and After
April 30, 2009

WNA STX-ISOS

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE WNA
WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Cuero, Gonzales, Lockhart, Luling, Shiner, Yoakum and Nixon: 15 and 25 as well as general service rate schedules 1E and 2E for the unincorporated areas. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.

D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule Meters Read On and
After

April 30, 2008

15-SouthTx-IS-Res

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE 15
RESIDENTIAL SERVICE RATE

APPLICABILITY Applicable to a residential customer in a single dwelling, or in a

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9281

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.

TERRITORY All incorporated areas served by the Company in its Central Texas South Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon.

COST OF SERVICE RATE

During each monthly billing period:
A Customer Charge of \$ 15.00 plus
All Ccf at \$.1376 per Ccf

OTHER APPLICABLE SCHEDULES In addition to the Cost of Service set forth above, each customer's bill shall include the following:

1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 5-INC.
2. The recovery of franchise taxes, sales taxes, Texas gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B.
3. Adjustments in accordance with provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.

Supersedes Same Sheet Dated Meters Read On and
After April
December 26, 2001
30, 2008

1B-SouthTx-IS-FrGrTx

TEXAS GAS SERVICE COMPANY South Texas Service Area - Central Texas Region RATE SCHEDULE 1B FRANCHISE & GROSS RECEIPTS TAXES APPLICABILITY All incorporated areas served by the Company in its South Texas Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon. City or Town (a) Statutory City Franchise Fee (b) Statutory Misc. Gross Receipts Tax (State Occupancy Tax) (c) Billing Tax Factor (d) Cuero 2.000% 1.070% 3.1672% Gonzales 2.000% 1.070% 3.1672% Luling 5.000% 1.070% 6.4621% Lockhart 5.000% 1.997% 7.5232% Shiner 2.000% 0.581% 2.6494% Yoakum 2.000% 1.070% 3.1672% Nixon 5.000% 0.581% 5.9108% The tax rates shown in columns (b) and (c) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. Supersedes Same Sheet Dated Meters Read On or After January 3, 2005
April 30, 2008

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9281

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8829	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8827	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9281

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8828	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9281

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8829	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	NIXON - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9770/9790 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per Final Order for Docket 9790, RRC apprvd 2007 rate case expenses surcharge for IS/OS customers beginning 4/30/09(Rate Schedule RCE-RIDER-STX-ISOS).

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	15_Residential Sales_South Texas Svc Area - Incorpor. Cuero, Gonzales, Lockhart, Luling, Shiner, Yoakum and Nixon, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9282

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/30/2008 ORIGINAL CONTRACT DATE: 04/30/2008 RECEIVED DATE: 05/05/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1B-SouthTx-IS-FrGrTx	<p>TEXAS GAS SERVICE COMPANY South Texas Service Area - Central Texas Region RATE SCHEDULE 1B FRANCHISE & GROSS RECEIPTS TAXES APPLICABILITY All incorporated areas served by the Company in its South Texas Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon. City or Town (a) Statutory City Franchise Fee (b) Statutory Misc. Gross Receipts Tax (State Occupancy Tax) (c) Billing Tax Factor (d) Cuero 2.000% 1.070% 3.1672% Gonzales 2.000% 1.070% 3.1672% Luling 5.000% 1.070% 6.4621% Lockhart 5.000% 1.997% 7.5232% Shiner 2.000% 0.581% 2.6494% Yoakum 2.000% 1.070% 3.1672% Nixon 5.000% 0.581% 5.9108% The tax rates shown in columns (b) and (c) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. Supersedes Same Sheet Dated Meters Read On or After January 3, 2005 April 30, 2008</p>
25-SouthTx-IS-Com	<p>TEXAS GAS SERVICE COMPANY South Texas Service Area - Central Texas Region RATE SCHEDULE 25 COMMERCIAL SERVICE RATE APPLICABILITY Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule. TERRITORY All incorporated areas served by the Company in its Central Texas South Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 25.00 plus All Ccf at \$.3132 per Ccf OTHER APPLICABLE SCHEDULES In addition to the Cost of Service set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 5-INC. 2. The recovery of franchise taxes, sales taxes, Texas gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B. 3. Adjustments in accordance with provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Sheet Dated Meters Read On and After December 26, 2001 April 30, 2008</p>
5-INC-SouthTx-IS-COG	<p>TEXAS GAS SERVICE COMPANY South Texas Service Area - Central Texas Region RATE SCHEDULE 5-INC COST OF GAS CLAUSE</p> <p>A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its South Texas Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner,</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9282

RATE SCHEDULESCHEDULE IDDESCRIPTION

Yoakum and Nixon.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees and taxes, including franchise fees.

2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company as a result of relevant gas purchases or operation of this cost of gas clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes and, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers

GAS SERVICES DIVISION

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during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account during September an amount equal to the average balance multiplied by six percent (6%).

F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the

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Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (e). This report shall be filed concurrently with the Cost of Gas Statement for October.

H. FIXED COST OF PURCHASED GAS - PILOT PROGRAM The Company may elect to offer a fixed price program to a select or limited group of customers for a specific period of time in order to study the participation levels, billing capability, and management issues of such a program should it be offered on a larger scale in the future. In this program, the Company will purchase and designate a specific package of gas at a fixed price for the program. The Company will select a specific group of customers and offer them the option to switch to the fixed cost of purchased gas for the duration of the program. The customers who elect to participate in this program must participate in the program for the entire duration of the program. Customers who participate in this program will have a fixed cost of purchased gas component of the cost of gas but will still be responsible for other charges in the cost of gas clause. At the end of the program, the customers who participated in the program will receive normal cost of gas charges as described in this cost of gas clause. Any difference in the amount of gas purchased and designated for this program and the amount of gas consumed by the participants in the program will be considered as gas purchased by the Company to provide service to general service customers as described in B. 5. Reconciliation Audit and B. 7.Reconciliation Account of this Cost of Gas clause. Participants in this plan may be required to sign up or the ABC Plan.

Supersedes Same Sheet Dated and After Meters Read On
 November 30, 2006
 April 30, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system

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operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety

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program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCE-Rider-STX-ISOS

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE RCE-RIDER
RATE CASE EXPENSE SURCHARGE

A. APPLICABILITY

The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to Final Order in GUD 9790. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated and unincorporated areas served in Central Texas South Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas: 15, 25, 35, 1E, 2E, 3E, T-2 and T-3.

B. RCE RATE

All Ccf during each billing period: \$0.0119 per Ccf

This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules.

C. OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D. CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule Meters Read On and After
April 30, 2009

WNA STX-ISOS

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE WNA
WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to

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the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Cuero, Gonzales, Lockhart, Luling, Shiner, Yoakum and Nixon: 15 and 25 as well as general service rate schedules 1E and 2E for the unincorporated areas. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.

D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule Meters Read On and
 After

April 30, 2008

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>
8827	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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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>
8828	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9282

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8829	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	NIXON - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9770/9790 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per Final Order for Docket 9790, RRC apprvd 2007 rate case expenses surcharge for IS/OS customers beginning 4/30/09(Rate Schedule RCE-RIDER-STX-ISOS).

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	25_Commercial Sales_South Texas Svc Area - Incorp. Cuero, Gonzales, Lockhart, Luling, Shiner, Yoakum and Nixon, TX

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9283

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2008 ORIGINAL CONTRACT DATE: 04/30/2008 RECEIVED DATE: 05/05/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1B-SouthTx-IS-FrGrTx	<p>TEXAS GAS SERVICE COMPANY South Texas Service Area - Central Texas Region RATE SCHEDULE 1B FRANCHISE & GROSS RECEIPTS TAXES APPLICABILITY All incorporated areas served by the Company in its South Texas Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon. City or Town (a) Statutory City Franchise Fee (b) Statutory Misc. Gross Receipts Tax (State Occupancy Tax) (c) Billing Tax Factor (d) Cuero 2.000% 1.070% 3.1672% Gonzales 2.000% 1.070% 3.1672% Luling 5.000% 1.070% 6.4621% Lockhart 5.000% 1.997% 7.5232% Shiner 2.000% 0.581% 2.6494% Yoakum 2.000% 1.070% 3.1672% Nixon 5.000% 0.581% 5.9108% The tax rates shown in columns (b) and (c) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. Supersedes Same Sheet Dated Meters Read On or After January 3, 2005 April 30, 2008</p>
35-SouthTx-IS-Ind	<p>TEXAS GAS SERVICE COMPANY South Texas Service Area - Central Texas Region RATE SCHEDULE 35 INDUSTRIAL SERVICE RATE</p> <p>APPLICABILITY Applicable to industrial consumers and to consumers not otherwise specifically provided for under any other rate schedule.</p> <p>TERRITORY All incorporated areas served by the Company in its Central Texas South Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon.</p> <p>COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 50.00 plus The First 3,000 Ccf @ \$.1129 per Ccf All Over 3,000 Ccf @ \$.0860 per Ccf</p> <p>OTHER APPLICABLE SCHEDULES In addition to the Cost of Service set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 5-INC. 2. The recovery of franchise taxes, sales taxes, Texas gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B.</p> <p>CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.</p>

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9283

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Supersedes Same Sheet Dated Meters
 Read On and After
 December 26, 2001
 April 30, 2008

5-INC-SouthTx-IS-COG

TEXAS GAS SERVICE COMPANY
 South Texas Service Area - Central Texas Region
 RATE SCHEDULE 5-INC
 COST OF GAS CLAUSE

A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its South Texas Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees and taxes, including franchise fees.
2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year.
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility.
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company as a result of relevant gas purchases or operation of this cost of gas clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes and, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9283

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unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account during September an amount equal to the average balance multiplied by six percent (6%).

F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas

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Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (e). This report shall be filed concurrently with the Cost of Gas Statement for October.

H. FIXED COST OF PURCHASED GAS - PILOT PROGRAM The Company may elect to offer a fixed price program to a select or limited group of customers for a specific period of time in order to study the participation levels, billing capability, and management issues of such a program should it be offered on a larger scale in the future. In this program, the Company will purchase and designate a specific package of gas at a fixed price for the program. The Company will select a specific group of customers and offer them the option to switch to the fixed cost of purchased gas for the duration of the program. The customers who elect to participate in this program must participate in the program for the entire duration of the program. Customers who participate in this program will have a fixed cost of purchased gas component of the cost of gas but will still be responsible for other charges in the cost of gas clause. At the end of the program, the customers who participated in the program will receive normal cost of gas charges as described in this cost of gas clause. Any difference in the amount of gas purchased and designated for this program and the amount of gas consumed by the participants in the program will be considered as gas purchased by the Company to provide service to general service customers as described in B. 5. Reconciliation Audit and B. 7.Reconciliation Account of this Cost of Gas clause. Participants in this plan may be required to sign up or the ABC Plan.

Supersedes Same Sheet Dated
and After
November 30, 2006
April 30, 2008

Meters Read On

PSF-All-ISOS-PipeFee TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline

GAS SERVICES DIVISION

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Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a

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natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCE-Rider-STX-ISOS

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE RCE-RIDER
RATE CASE EXPENSE SURCHARGE

A. APPLICABILITY

The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to Final Order in GUD 9790. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated and unincorporated areas served in Central Texas South Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas: 15, 25, 35, 1E, 2E, 3E, T-2 and T-3.

B. RCE RATE

All Ccf during each billing period: \$0.0119 per Ccf

This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules.

C. OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D. CONDITIONS

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Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule

Meters Read On and After

April 30, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9283

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8827	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9283

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8828	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			
8829	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	NIXON - INC			
8827	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	CUERO - INC (SOUTH TX SVC AREA)			
8828	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	GONZALES - INC (SOUTH TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9283

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8829	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LOCKHART - INC (SOUTH TX SVC AREA)			
8830	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LULING - INC (SOUTH TX SVC AREA)			
8831	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	SHINER - INC (SOUTH TX SVC AREA)			
8832	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - INC (SOUTH TX SVC AREA)			
8833	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - INC (SOUTH TX SVC AREA)			
8841	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	NIXON - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9770/9790 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per Final Order for Docket 9790, RRC apprvd 2007 rate case expenses surcharge for IS/OS customers beginning 4/30/09(Rate Schedule RCE-RIDER-STX-ISOS).

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	35_Industrial Sales_South Texas Svc Area - Incorp. Cuero, Gonzales, Lockhart, Luling, Shiner, Yoakum and Nixon, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9284

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2008 ORIGINAL CONTRACT DATE: 04/30/2008 RECEIVED DATE: 05/05/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9284

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCE-Rider-STX-ISOS

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE RCE-RIDER
RATE CASE EXPENSE SURCHARGE

A. APPLICABILITY

The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to Final Order in GUD 9790. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated and unincorporated areas served in Central Texas South Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas: 15, 25, 35, 1E, 2E, 3E, T-2 and T-3.

B. RCE RATE

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9284

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

All Ccf during each billing period: \$0.0119 per Ccf

This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules.

C. OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D. CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule Meters Read On and After
April 30, 2009

WNA STX-ISOS

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE WNA
WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Cuero, Gonzales, Lockhart, Luling, Shiner, Yoakum and Nixon: 15 and 25 as well as general service rate schedules 1E and 2E for the unincorporated areas. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.

D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule Meters Read On and
After

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9284

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

1E-SouthTx-OS-Res

April 30, 2008

TEXAS GAS SERVICE COMPANY
 South Texas Service Area - Central Texas Region
 RATE SCHEDULE 1E

RESIDENTIAL SERVICE RATE

APPLICABILITY Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.

TERRITORY All unincorporated areas served by the Company in its South Texas Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon.

COST OF SERVICE RATE
 During each monthly billing period:
 A Customer Charge of \$15.00 plus
 All Ccf at \$ 0.1376 per Ccf

OTHER APPLICABLE SCHEDULES In addition to the Cost of Service set forth above, each customer's bill shall include adjustments for the following:

1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 5.
2. The recovery of sales taxes and other applicable taxes on gross receipts.
3. Adjustments in accordance with provisions of the Weather Normalization Adjustment clause, Rate Schedule WNA.

CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.

Supersedes Same Sheet Dated _____ ers Read
 On and After
 July 19, 1993
 April 30, 2008

5-SouthTX-OS-COG

TEXAS GAS SERVICE COMPANY
 South Texas Service Area - Central Texas Region
 RATE SCHEDULE 5
 COST OF GAS CLAUSE

A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) currently in force in the Company's South Texas Service Area within the unincorporated areas of Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas.

B. DEFINITIONS
 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component and related

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fees and taxes.

2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3 of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of fees and taxes, and (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or

GAS SERVICES DIVISION

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operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of fees and applicable taxes, and (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account during September an amount equal to the average balance multiplied by six percent (6%).

F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the Reconciliation Component; (d) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and (e) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year

GAS SERVICES DIVISION

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DESCRIPTION

and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (e). This report shall be filed concurrently with the Cost of Gas Statement for October.

H. FIXED COST OF PURCHASED GAS - PILOT PROGRAM The Company may elect to offer a fixed price program to a select or limited group of customers for a specific period of time in order to study the participation levels, billing capability, and management issues of such a program should it be offered on a larger scale in the future. In this program, the Company will purchase and designate a specific package of gas at a fixed price for the program. The Company will select a specific group of customers and offer them the option to switch to the fixed cost of purchased gas for the duration of the program. The customers who elect to participate in this program must participate in the program for the entire duration of the program. Customers who participate in this program will have a fixed cost of purchased gas component of the cost of gas but will still be responsible for other charges in the Cost of Gas Clause. At the end of the program, the customers who participated in the program will receive normal cost of gas charges as described in this Cost of Gas Clause. Any difference in the amount of gas purchased and designated for this program and the amount of gas consumed by the participants in the program will be considered as gas purchased by the Company to provide service to general service customers as described in B. 5. Reconciliation Audit and B. 7. Reconciliation Account of this Cost of Gas Clause. Participants in this plan may be required to sign up for the ABC Plan.

Supersedes Same Sheet Dated
 After
 August 24, 2001
 April 30, 2008

Meters Read On or

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9284

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8836	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8834	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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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>
8835	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9284

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8836	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9770/9790 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per Final Order for Docket 9790, RRC apprvd 2007 rate case expenses surcharge for IS/OS customers beginning 4/30/09(Rate Schedule RCE-RIDER-STX-ISOS).

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1E_Residential Sales_South Texas Svc Area - Environs

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9285

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2008 ORIGINAL CONTRACT DATE: 04/30/2008 RECEIVED DATE: 05/05/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
2E-SouthTx-OS-Com	<p>TEXAS GAS SERVICE COMPANY South Texas Service Area - Central Texas Region RATE SCHEDULE 2E COMMERCIAL SERVICE RATE</p> <p>APPLICABILITY Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule.</p> <p>TERRITORY All unincorporated areas served by the Company in its South Texas Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon.</p> <p>COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter per month of \$25.00 plus - All Ccf per monthly billing period @ \$ 0.3132 per Ccf</p> <p>OTHER APPLICABLE SCHEDULES In addition to the Cost of Service set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 5. 2. The recovery of sales taxes and other applicable taxes on gross receipts. 3. Adjustments in accordance with provisions of the Weather Normalization Clause, Rate Schedule WNA.</p> <p>CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.</p> <p>Supersedes Same Sheet Dated Meters Read On and After July 19, 1993 April 30, 2008</p>
5-SouthTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY South Texas Service Area - Central Texas Region RATE SCHEDULE 5 COST OF GAS CLAUSE</p> <p>A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) currently in force in the Company's South Texas Service Area within the unincorporated areas of Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas.</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9285

RATE SCHEDULESCHEDULE IDDESCRIPTION

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component and related fees and taxes.

2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3 of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions

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RATE SCHEDULE

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DESCRIPTION

of this Cost of Gas Clause reduced by the amount of fees and taxes, and (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of fees and applicable taxes, and (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account during September an amount equal to the average balance multiplied by six percent (6%).

F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the Reconciliation Component; (d) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and (e) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9285

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DESCRIPTION

of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (e). This report shall be filed concurrently with the Cost of Gas Statement for October.

H. FIXED COST OF PURCHASED GAS - PILOT PROGRAM The Company may elect to offer a fixed price program to a select or limited group of customers for a specific period of time in order to study the participation levels, billing capability, and management issues of such a program should it be offered on a larger scale in the future. In this program, the Company will purchase and designate a specific package of gas at a fixed price for the program. The Company will select a specific group of customers and offer them the option to switch to the fixed cost of purchased gas for the duration of the program. The customers who elect to participate in this program must participate in the program for the entire duration of the program. Customers who participate in this program will have a fixed cost of purchased gas component of the cost of gas but will still be responsible for other charges in the Cost of Gas Clause. At the end of the program, the customers who participated in the program will receive normal cost of gas charges as described in this Cost of Gas Clause. Any difference in the amount of gas purchased and designated for this program and the amount of gas consumed by the participants in the program will be considered as gas purchased by the Company to provide service to general service customers as described in B. 5. Reconciliation Audit and B. 7. Reconciliation Account of this Cost of Gas Clause. Participants in this plan may be required to sign up for the ABC Plan.

Supersedes Same Sheet Dated Meters Read On or After
 August 24, 2001
 April 30, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall

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calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the

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surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCE-Rider-STX-ISOS

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE RCE-RIDER
RATE CASE EXPENSE SURCHARGE

A. APPLICABILITY

The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to Final Order in GUD 9790. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated and unincorporated areas served in Central Texas South Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas: 15, 25, 35, 1E, 2E, 3E, T-2 and T-3.

B. RCE RATE

All Ccf during each billing period: \$0.0119 per Ccf

This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules.

C. OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D. CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule Meters Read On and After
April 30, 2009

WNA STX-ISOS

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE WNA
WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Cuero, Gonzales, Lockhart, Luling, Shiner, Yoakum and Nixon:

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15 and 25 as well as general service rate schedules 1E and 2E for the unincorporated areas. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.

D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule Meters Read On and
 After

April 30, 2008

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>
8834	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9285

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8835	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9285

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8836	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9770/9790 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per Final Order for Docket 9790, RRC apprvd 2007 rate case expenses surcharge for IS/OS customers beginning 4/30/09(Rate Schedule RCE-RIDER-STX-ISOS).

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2E_Commercial Sales_South Texas Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9286

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2008 ORIGINAL CONTRACT DATE: 04/30/2008 RECEIVED DATE: 05/05/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

3E-SouthTx-OS-Ind

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE 3E
INDUSTRIAL SERVICE RATE

APPLICABILITY Applicable to industrial consumers and to consumers not otherwise specifically provided for under any other rate schedule.

TERRITORY All unincorporated areas served by the Company in its South Texas Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon.

COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$50.00 plus The First 3,000 Ccf @ \$ 0.1129 per Ccf All Over 3,000 Ccf @ \$ 0.0860 per Ccf

OTHER APPLICABLE SCHEDULES In addition to the Cost of Service set forth above, each customer's bill shall include adjustments for the following:

1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 5.
2. The recovery of sales taxes, and other applicable taxes on gross receipts.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.

Supersedes Same Sheet Dated
and After
July 19, 1993
April 30, 2008

Meters Read On

5-SouthTX-OS-COG

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE 5
COST OF GAS CLAUSE

A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) currently in force in the Company's South Texas Service Area within the unincorporated areas of Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 9286

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clause, consisting of the Commodity Cost, a Reconciliation Component and related fees and taxes.

2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3 of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of fees and applicable taxes, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of fees and taxes, and (c) the total amount of refunds made to customers during the period and any other revenues

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9286

RATE SCHEDULESCHEDULE IDDESCRIPTION

or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of fees and applicable taxes, and (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period.

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

D. **DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT** If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. **PAYMENT FOR FUNDS** Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account during September an amount equal to the average balance multiplied by six percent (6%).

F. **COST OF GAS STATEMENT** The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the Reconciliation Component; (d) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and (e) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

G. **ANNUAL RECONCILIATION REPORT** The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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DESCRIPTION

Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (e). This report shall be filed concurrently with the Cost of Gas Statement for October.

H. FIXED COST OF PURCHASED GAS - PILOT PROGRAM The Company may elect to offer a fixed price program to a select or limited group of customers for a specific period of time in order to study the participation levels, billing capability, and management issues of such a program should it be offered on a larger scale in the future. In this program, the Company will purchase and designate a specific package of gas at a fixed price for the program. The Company will select a specific group of customers and offer them the option to switch to the fixed cost of purchased gas for the duration of the program. The customers who elect to participate in this program must participate in the program for the entire duration of the program. Customers who participate in this program will have a fixed cost of purchased gas component of the cost of gas but will still be responsible for other charges in the Cost of Gas Clause. At the end of the program, the customers who participated in the program will receive normal cost of gas charges as described in this Cost of Gas Clause. Any difference in the amount of gas purchased and designated for this program and the amount of gas consumed by the participants in the program will be considered as gas purchased by the Company to provide service to general service customers as described in B. 5. Reconciliation Audit and B. 7. Reconciliation Account of this Cost of Gas Clause. Participants in this plan may be required to sign up for the ABC Plan.

Supersedes Same Sheet Dated Meters Read On or
 After
 August 24, 2001
 April 30, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3,

GAS SERVICES DIVISION

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of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas

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distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCE-Rider-STX-ISOS

TEXAS GAS SERVICE COMPANY
South Texas Service Area - Central Texas Region
RATE SCHEDULE RCE-RIDER
RATE CASE EXPENSE SURCHARGE

A. APPLICABILITY

The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to Final Order in GUD 9790. This rate shall apply to the following rate schedules of Texas Gas Service Company in the incorporated and unincorporated areas served in Central Texas South Service Area including Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas: 15, 25, 35, 1E, 2E, 3E, T-2 and T-3.

B. RCE RATE

All Ccf during each billing period: \$0.0119 per Ccf

This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules.

C. OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D. CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Initial Rate Schedule Meters Read On and After
April 30, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9286

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8834	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5648	04/30/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5909	06/01/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9286

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8835	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5637	06/30/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			
8836	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.5394	07/30/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			
8834	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	CUERO - ENV (SOUTH TX SVC AREA)			
8835	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	GONZALES - ENV (SOUTH TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9286

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8836	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LOCKHART - ENV (SOUTH TX SVC AREA)			
8837	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	LULING - ENV (SOUTH TX SVC AREA)			
8838	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	SHINER - ENV (SOUTH TX SVC AREA)			
8839	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (DEWITT CO) - ENV (SOUTH TX SVC AREA)			
8840	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	YOAKUM (LAVACA CO) - ENV (SOUTH TX SVC AREA)			
8842	N	Ccf	\$.4546	08/28/2009
<u>CUSTOMER NAME</u>	NIXON - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9770/9790 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per Final Order for Docket 9790, RRC apprvd 2007 rate case expenses surcharge for IS/OS customers beginning 4/30/09(Rate Schedule RCE-RIDER-STX-ISOS).

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3E_Industrial Sales_South Texas Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9287

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 05/24/2000 ORIGINAL CONTRACT DATE: 05/24/2000 RECEIVED DATE: 04/08/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9287

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

1-Andrews-OS-COG

TEXAS GAS SERVICE COMPANY

Andrews Service Area - West

Texas Region

RATE SCHEDULE NO.

1

COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Andrews, Texas

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9287

RATE SCHEDULESCHEDULE IDDESCRIPTION

Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this cost of gas clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

2. Commodity Cost - The cost of purchased gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extended to the next following June). The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchases/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 9287

RATE SCHEDULESCHEDULE IDDESCRIPTION

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9287

RATE SCHEDULESCHEDULE IDDESCRIPTION

longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the Andrews, Texas Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.

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2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.

3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clause in effect prior to the effective date of this cost of gas clause, remaining at the end of the month in which this clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) sold during the period commencing with the month in which this clause first becomes effective and extending through the next following September. The result of this division will be included in the Cost of Gas for the second month succeeding the month in which this clause becomes effective, and each month thereafter through the month of September 1993 as the initial Reconciliation Component. The Cost of Gas for the first month succeeding the month in which this clause becomes effective shall contain no Reconciliation Component.

Supersedes Same Sheet Dated

Meters Read On and After

May 1, 1993

August 24, 2001

1Z-Andrews-OS-Res

TEXAS GAS SERVICE

COMPANY

Andrews Service Area - West

Texas Region

RATE SCHEDULE

1Z

RESIDENTIAL SERVICE

RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.

TERRITORY

All customers in the unincorporated area of Andrews, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A customer charge per meter per month of \$9.00 plus -

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9287

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

All Ccf \$.0817 per Ccf

COST OF GAS COMPONENT:

In addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.

PROMPT PAYMENT PROVISION

None. Above rates are net.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.

2. Residential service shall have priority in supply.

Supersedes Rate Sheet Dated

Meters Read On and After

October 11, 1993

May 24, 2000

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>
8876	N	Ccf	\$.2847	03/31/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2555	04/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2690	06/01/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.3472	06/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.3450	07/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2761	08/28/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310	COMPANY NAME: TEXAS GAS SERVICE COMPANY
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TARIFF CODE: DS	RRC TARIFF NO: 9287
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REASONS FOR FILING

NEW?: N **RRC DOCKET NO:** 8985 **CITY ORDINANCE NO:**

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 1Z_Residential Sales_Andrews Svc Area - Environs

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9288

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/24/2000 ORIGINAL CONTRACT DATE: 05/24/2000 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Andrews-OS-COG	TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
1	RATE SCHEDULE NO. COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Andrews, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this cost of gas clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
2. Commodity Cost - The cost of purchased gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extended to the next following June). The audit shall determine:	
(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those	

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9288

RATE SCHEDULESCHEDULE IDDESCRIPTION

revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchases/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9288

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the Andrews, Texas Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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(e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clause in effect prior to the effective date of this cost of gas clause, remaining at the end of the month in which this clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) sold during the period commencing with the month in which this clause first becomes effective and extending through the next following September. The result of this division will be included in the Cost of Gas for the second month succeeding the month in which this clause becomes effective, and each month thereafter through the month of September 1993 as the initial Reconciliation Component. The Cost of Gas for the first month succeeding the month in which this clause becomes effective shall contain no Reconciliation Component.

Supersedes Same Sheet Dated

Meters Read On and After

May 1, 1993

August 24, 2001

2Z-Andrews-OS-Com

TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
 RATE SCHEDULE 2Z COMMERCIAL SERVICE RATE APPLICABILITY Applicable to commercial customers and to customers not otherwise specifically provided for under any other rate schedule. TERRITORY All customers in the unincorporated area of Andrews, Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$15.00 plus - All Ccf \$.0898 per Ccf COST OF GAS COMPONENT:
 In addition to the Cost of Service set forth above, each customer's bill shall

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.PROMPT PAYMENT PROVISIONNone. Above rates are net.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Rate Sheet Dated Meters Read On and After October 11, 1993 May 24, 2000

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009</p>

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9288

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8876	N	Ccf	\$.2847	03/31/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2555	04/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2690	06/01/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.3472	06/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.3450	07/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2761	08/28/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8985 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2Z_Commercial Sales_Andrews Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9289

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/24/2000 ORIGINAL CONTRACT DATE: 05/24/2000 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Andrews-OS-COG	TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
1	RATE SCHEDULE NO. COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Andrews, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this cost of gas clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
2. Commodity Cost - The cost of purchased gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extended to the next following June). The audit shall determine:	
(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those	

GAS SERVICES DIVISION

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revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchases/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9289

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E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the Andrews, Texas Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

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(e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clause in effect prior to the effective date of this cost of gas clause, remaining at the end of the month in which this clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) sold during the period commencing with the month in which this clause first becomes effective and extending through the next following September. The result of this division will be included in the Cost of Gas for the second month succeeding the month in which this clause becomes effective, and each month thereafter through the month of September 1993 as the initial Reconciliation Component. The Cost of Gas for the first month succeeding the month in which this clause becomes effective shall contain no Reconciliation Component.

Supersedes Same Sheet Dated

Meters Read On and After

May 1, 1993

August 24, 2001

3Z-Andrews-OS-Ind

TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
RATE SCHEDULE 3Z INDUSTRIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Division E and J - Utility and Government - facilities generating power for resale

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onlyTERRITORYAll customers in the unincorporated area of Andrews, Texas. COST OF SERVICE RATEDuring each monthly billing period:A customer charge per meter per month of \$20.00 plus -All Ccf \$.1189 per Ccf COST OF GAS COMPONENT: In addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.PROMPT PAYMENT PROVISIONNone. Above rates are net.CONDITIONS1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed in the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Rate Sheet Dated Gas Sold On and After October 11, 1993 May 24, 2000

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

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(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
8876	N	Ccf	\$.2847	03/31/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2555	04/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2690	06/01/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.3472	06/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.3450	07/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2761	08/28/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8985 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3Z_Industrial Sales_Andrews Svc Area - Environs

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 05/24/2000 ORIGINAL CONTRACT DATE: 05/24/2000 RECEIVED DATE: 04/07/2008
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Andrews-OS-COG	TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
1	RATE SCHEDULE NO. COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Andrews, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this cost of gas clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
2. Commodity Cost - The cost of purchased gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extended to the next following June). The audit shall determine:	
(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those	

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revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchases/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

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E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the Andrews, Texas Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

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(e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clause in effect prior to the effective date of this cost of gas clause, remaining at the end of the month in which this clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) sold during the period commencing with the month in which this clause first becomes effective and extending through the next following September. The result of this division will be included in the Cost of Gas for the second month succeeding the month in which this clause becomes effective, and each month thereafter through the month of September 1993 as the initial Reconciliation Component. The Cost of Gas for the first month succeeding the month in which this clause becomes effective shall contain no Reconciliation Component.

Supersedes Same Sheet Dated

Meters Read On and After

May 1, 1993

August 24, 2001

4H-Andrews-OS-PubSch

TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region RATE
SCHEDULE 4H PUBLIC SCHOOLS AND LOCAL GOVERNMENT SERVICE
RATE APPLICABILITY Applicable to public schools and local government customers for
all purposes. TERRITORY All customers in the unincorporated area of Andrews,
Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per
meter per month of \$20.00 plus - All Ccf \$.1408 per Ccf COST OF GAS COMPONENT:
In addition to the Cost of Service set forth above, each customer's bill shall

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include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.PROMPT PAYMENT PROVISIONNone. Above rates are net.CONDITIONS1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Rate Sheet Dated Meters Read On and After October 11, 1993 May 24, 2000

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY
All Service Areas
PIPELINE SAFETY PROGRAM FEES
TEXAS ADMINISTRATIVE CODE
TITLE 16
ECONOMIC REGULATION PART 1
RAILROAD COMMISSION OF TEXAS
CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY
Rule 8.201 Pipeline Safety Program Fees

(a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

- (A) shall be a flat rate, one-time surcharge;
- (B) shall not be billed before the operator remits the pipeline safety program

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fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2008 the annual pipeline safety program fee, effective with meters read on and after March 31, 2008, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection.

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(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing:

- (A) the pipeline safety program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (C) the date or dates on which the surcharge was billed to customers; and
- (D) the total amount collected from customers from the surcharge.

(d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator.

Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121

Supersedes Same Sheet Dated Meters
 Read On and After
 March 30, 2007
 March 31,2008

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 9290

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8876	N	Ccf	\$.8620	03/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$1.0084	04/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$1.0416	06/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$1.1894	07/01/2008
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.8216	07/31/2008
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.6699	08/29/2008
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.4645	09/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.3204	10/30/2008
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.3204	11/04/2008
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.4736	12/02/2008
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.4667	01/02/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2966	01/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2625	02/27/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8985 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/07 was superseded 3/31/08. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4H_Public Schools & Local Gov't Sales_Andrews Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9291

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 05/24/2000 ORIGINAL CONTRACT DATE: 05/24/2000 RECEIVED DATE: 04/08/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-Andrews-OS-COG	TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
1	RATE SCHEDULE NO. COST OF GAS CLAUSE
A. APPLICABILITY	
This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Andrews, Texas Service Area.	
B. DEFINITIONS	
1. Cost of Gas - The rate per billing unit or the total calculation under this cost of gas clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
2. Commodity Cost - The cost of purchased gas multiplied by the Purchase Sales Ratio.	
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the reconciliation audit.	
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve month period (the period covered by such review for the initial year of operation of this clause shall begin with the month in which this clause first becomes effective and extended to the next following June). The audit shall determine:	
(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9291

RATE SCHEDULESCHEDULE IDDESCRIPTION

revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchases/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation, for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9291

RATE SCHEDULE

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E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If, on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the Andrews, Texas Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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(e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. PRIOR BALANCE

Any over recovered or under recovered balance in the correcting account, as provided for by the purchased gas adjustment clause in effect prior to the effective date of this cost of gas clause, remaining at the end of the month in which this clause becomes effective shall be divided by the general service sales volumes (adjusted for the effects of weather, growth, and conservation) sold during the period commencing with the month in which this clause first becomes effective and extending through the next following September. The result of this division will be included in the Cost of Gas for the second month succeeding the month in which this clause becomes effective, and each month thereafter through the month of September 1993 as the initial Reconciliation Component. The Cost of Gas for the first month succeeding the month in which this clause becomes effective shall contain no Reconciliation Component.

Supersedes Same Sheet Dated

Meters Read On and After

May 1, 1993

August 24, 2001

4Z-Andrews-OS-PubA

TEXAS GAS SERVICE COMPANY Andrews Service Area - West Texas Region
RATE SCHEDULE 4Z PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to public authority customers for all uses if not otherwise specifically provided for. TERRITORY All customers in the unincorporated area of Andrews, Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$15.00 plus -All Ccf \$.1142 per Ccf COST OF GAS COMPONENT: In addition to the Cost of Service set forth above, each customer's bill shall include the Cost

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9291

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of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.PROMPT PAYMENT PROVISIONNone. Above rates are net.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Rate Sheet Dated Meters Read On and After October 11, 1993 May 24, 2000

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9291

RATE SCHEDULE

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DESCRIPTION

operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9291

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8876	N	Ccf	\$.2847	03/31/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2555	04/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2690	06/01/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.3472	06/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.3450	07/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			
8876	N	Ccf	\$.2761	08/28/2009
<u>CUSTOMER NAME</u>	ANDREWS - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 8985 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4Z_Public Authority Sales_Andrews Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9292

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 10/10/1991 ORIGINAL CONTRACT DATE: 09/09/1991 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9292

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-Crane-OS-COG

TEXAS GAS SERVICE

COMPANY

Crane Service Area - West

Texas Region

RATE SCHEDULE

NO. 1

COST OF GAS

CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9292

RATE SCHEDULESCHEDULE IDDESCRIPTION

This Cost of Gas Clause shall apply to all rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Crane, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

2. Purchase Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

The period covered by the Reconciliation Audit for the initial year of operation of this clause shall begin with the month of September, 1983 and extend through the month of August 1984. The audit for this period shall determine:

(a) the balance of the correcting account by August 31, 1983,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9292

RATE SCHEDULESCHEDULE IDDESCRIPTION

(b) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(c) the sum of revenues received during the period from operation of the provisions of this Cost of Gas Clause and the Cost of Gas Adjustment and base cost of gas provisions in effect prior to this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on these revenues,

(d) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company during the period as a result of gas purchases or operation of this Cost of Gas Clause or the Cost of Gas Adjustment provision in effect prior to this Cost of Gas Clause, and

(e) an adjustment, if necessary for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9292

RATE SCHEDULESCHEDULE IDDESCRIPTION

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its customers. Similarly, the Company may surcharge its customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the sales, adjusted for known changes including the effects of weather, growth, and conservation, made during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the El Paso, Texas Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues gathered by the

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9292

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

1Z-Crane-OS-Res

TEXAS GAS

SERVICE COMPANY

Crane Service Area - West

Texas Region

RATE SCHEDULE 1Z

RESIDENTIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer for a single family residential unit when served through a single meter.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9292

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

TERRITORY

Unincorporated areas in the vicinity of Crane, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of	\$10.00 plus
The First 40 Ccf @	.1851 per Ccf
The Next 60 Ccf @	.1054 per Ccf
The Next 100 Ccf @	.0959 per Ccf
All Over 200 Ccf @	.0882 per Ccf

Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.

PROMPT PAYMENT PROVISION

None. Above rates are net.

TAX REIMBURSEMENT OR CREDIT

The Company is entitled to reimbursement from customers for the amount, prorated if necessary, of any increases, and shall credit to customers any decrease, in taxes or similar governmental charge (other than ad valorem and federal income and profits tax) imposed on account of the Company's local activities or business, borne by it directly or indirectly over and above the aggregate of such taxes and charges being borne by it as of January 1, 1966, including, without limitation, those required to be absorbed by it under its gas supply arrangements.

CONDITIONS

1. Subject to Company's applicable rules and regulations.
2. Residential service shall have priority in supply.

Supersedes Rate Sheet Dated

Meters Read On and After June 22, 1988

October 10, 1991

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9292

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8878	N	Ccf	\$.4332	03/31/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4149	04/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4339	06/01/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4744	06/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4824	07/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.3018	08/28/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7893 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1Z_Residential Sales_Crane Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9293

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 10/10/1991 ORIGINAL CONTRACT DATE: 09/09/1991 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-Crane-OS-COG		TEXAS GAS SERVICE
	COMPANY	
		Crane Service Area - West
	Texas Region	
		RATE SCHEDULE
	NO. 1	
		COST OF GAS
	CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Crane, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	2. Purchase Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.	
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9293

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

The period covered by the Reconciliation Audit for the initial year of operation of this clause shall begin with the month of September, 1983 and extend through the month of August 1984. The audit for this period shall determine:

(a) the balance of the correcting account by August 31, 1983,

(b) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(c) the sum of revenues received during the period from operation of the provisions of this Cost of Gas Clause and the Cost of Gas Adjustment and base cost of gas provisions in effect prior to this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on these revenues,

(d) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company during the period as a result of gas purchases or operation of this Cost of Gas Clause or the Cost of Gas Adjustment provision in effect prior to this Cost of Gas Clause, and

(e) an adjustment, if necessary for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9293

RATE SCHEDULESCHEDULE IDDESCRIPTION

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its customers. Similarly, the Company may surcharge its customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the sales, adjusted for known changes including the effects of weather, growth, and conservation, made during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9293

RATE SCHEDULESCHEDULE IDDESCRIPTION

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the El Paso, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9293

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Supersedes Same Sheet Dated
Meters Read On and After
February 16, 1992
August 24, 2001

2Z-Crane-OS-Com

TEXAS GAS SERVICE COMPANY Crane Service Area - West Texas Region RATE SCHEDULE 2Z COMMERCIAL SERVICE RATEAPPLICABILITYService under this rate schedule is available to Commercial customers and any customer whose primary business activity at the location served is not provided for under any other rate schedule.TERRITORYUnincorporated areas in the vicinity of Crane, Texas.COST OF SERVICE RATEDuring each monthly billing period: A Customer Charge of \$10.00 plus The first 40 Ccf @ .2143 per Ccf The Next 60 Ccf @ .1391 per Ccf The Next 100 Ccf @ .1295 per Ccf All Over 200 Ccf @ .1222 per CcfCost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.PROMPT PAYMENT PROVISIONNone. Above rates are net.TAX REIMBURSEMENT OR CREDITThe Company is entitled to reimbursement from customers for the amount, prorated if necessary, of any increases, and shall credit to customers any decrease, in taxes or similar governmental charge (other than ad valorem and federal income and profits tax) imposed on account of the Company's local activities or business, borne by it directly or indirectly over and above the aggregate of such taxes and charges being borne by it as of January 1, 1966, including, without limitation, those required to be absorbed by it under its gas supply arrangements. CONDITIONS1. Subject to Company's applicable rules and regulations.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other customers. Supersedes Rate Sheet Dated Meters Read On and After June 22, 1988 October 10, 1991

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9293

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9293

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
8878	N	Ccf	\$.4332	03/31/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4149	04/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4339	06/01/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4744	06/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4824	07/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.3018	08/28/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7893 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2Z_Commercial Sales_Crane Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9294

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 10/10/1991 ORIGINAL CONTRACT DATE: 09/09/1991 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-Crane-OS-COG		TEXAS GAS SERVICE
	COMPANY	
		Crane Service Area - West
	Texas Region	
		RATE SCHEDULE
	NO. 1	
		COST OF GAS
	CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Crane, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	2. Purchase Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.	
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9294

RATE SCHEDULESCHEDULE IDDESCRIPTION

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

The period covered by the Reconciliation Audit for the initial year of operation of this clause shall begin with the month of September, 1983 and extend through the month of August 1984. The audit for this period shall determine:

(a) the balance of the correcting account by August 31, 1983,

(b) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(c) the sum of revenues received during the period from operation of the provisions of this Cost of Gas Clause and the Cost of Gas Adjustment and base cost of gas provisions in effect prior to this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on these revenues,

(d) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company during the period as a result of gas purchases or operation of this Cost of Gas Clause or the Cost of Gas Adjustment provision in effect prior to this Cost of Gas Clause, and

(e) an adjustment, if necessary for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULESCHEDULE IDDESCRIPTION

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its customers. Similarly, the Company may surcharge its customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the sales, adjusted for known changes including the effects of weather, growth, and conservation, made during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

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TARIFF CODE: DS RRC TARIFF NO: 9294

RATE SCHEDULESCHEDULE IDDESCRIPTION

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the El Paso, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9294

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Supersedes Same Sheet Dated
Meters Read On and After
February 16, 1992
August 24, 2001

3Z-Crane-OS-Ind

TEXAS GAS SERVICE COMPANY Crane Service Area - West Texas Region
RATE SCHEDULE 3Z INDUSTRIAL SERVICE RATEAPPLICABILITYService under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Division E and J - Utility and Government - facilities generating power for resale onlyTERRITORYUnincorporated areas in the vicinity of Crane, Texas.COST OF SERVICE RATEDuring each monthly billing period: A Customer Charge of \$50.00 plus - The First 40 Ccf @ .2176 per Ccf The Next 60 Ccf @ .1434 per Ccf The Next 100 Ccf @ .1346 per Ccf All Over 200 Ccf @ .1262 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.PROMPT PAYMENT PROVISIONNone. Above rates are net.TAX REIMBURSEMENT OR CREDITThe Company is entitled to reimbursement from customer for the amount, prorated if necessary, of any increases, and shall credit to customer any decrease, in taxes or similar governmental charge (other than ad valorem and federal income and profits tax) imposed on account of the Company's local activities or business, borne by it directly or indirectly over and above the aggregate of such taxes and charges being borne by it as of January 1, 1966, including, without limitation, those required to be absorbed by it under its gas supply arrangements. CONDITIONS1. Subject to Company's applicable rules and regulations.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other customers. Supersedes Rate Sheet Dated Meters Read On and After June 22, 1988 October 10, 1991

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall

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calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the

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DESCRIPTION

surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
8878	N	Ccf	\$.4332	03/31/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4149	04/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4339	06/01/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4744	06/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4824	07/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.3018	08/28/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7893 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9294

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 3Z_Industrial Sales_Crane Svc Area - Environs

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 10/10/1991 ORIGINAL CONTRACT DATE: 09/09/1991 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-Crane-OS-COG		TEXAS GAS SERVICE
	COMPANY	
		Crane Service Area - West
	Texas Region	
		RATE SCHEDULE
	NO. 1	
		COST OF GAS
	CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Crane, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	2. Purchase Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.	
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	

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(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

The period covered by the Reconciliation Audit for the initial year of operation of this clause shall begin with the month of September, 1983 and extend through the month of August 1984. The audit for this period shall determine:

(a) the balance of the correcting account by August 31, 1983,

(b) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(c) the sum of revenues received during the period from operation of the provisions of this Cost of Gas Clause and the Cost of Gas Adjustment and base cost of gas provisions in effect prior to this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on these revenues,

(d) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company during the period as a result of gas purchases or operation of this Cost of Gas Clause or the Cost of Gas Adjustment provision in effect prior to this Cost of Gas Clause, and

(e) an adjustment, if necessary for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

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RATE SCHEDULESCHEDULE IDDESCRIPTION

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its customers. Similarly, the Company may surcharge its customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the sales, adjusted for known changes including the effects of weather, growth, and conservation, made during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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DESCRIPTION

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the El Paso, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

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TARIFF CODE: DS RRC TARIFF NO: 9295

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Supersedes Same Sheet Dated
Meters Read On and After
February 16, 1992
August 24, 2001

4H-Crane-OS-PubSch

TEXAS GAS SERVICE COMPANY Crane Service Area - West Texas Region RATE
SCHEDULE 4H PUBLIC SCHOOLS AND LOCAL GOVERNMENT SERVICE
RATEAPPLICABILITYApplicable to public schools and local government customers for
all purposes.TERRITORYUnincorporated areas in the vicinity of Crane, TexasCOST OF
SERVICE RATEDuring each monthly billing period: A Customer Charge of
\$15.00 plus - All gas @ .1631 per Ccf Cost of Gas
Component: In addition to the Cost of Service set forth above, each customer's
bill shall include an amount equal to the Cost of Gas for the billing month as
determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf
consumed during the billing month.PROMPT PAYMENT PROVISIONNone. Above rates are
net.TAX REIMBURSEMENT OR CREDITThe Company is entitled to reimbursement from
customer for the amount, prorated if necessary, of any increases, and shall credit
to customer any decrease, in taxes or similar governmental charge (other than ad
valorem and federal income and profits tax) imposed on account of the Company's
local activities or business, borne by it directly or indirectly over and above the
aggregate of such taxes and charges being borne by it as of January 1, 1966,
including, without limitation, those required to be absorbed by it under its gas
supply arrangements. CONDITIONS1. Subject in all respects to applicable laws,
rules, and regulations from time to time in effect.2. Delivery of gas hereunder
may be interrupted or curtailed at the discretion of the Company in case of
shortage or threatened shortage of gas supply from any cause whatsoever, to
conserve gas for other customers. Supersedes Rate Sheet Dated Meters Read On
and After June 22, 1988 October 10, 1991

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each

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GSD - 1 TARIFF REPORT

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9295

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RATE ADJUSTMENT PROVISIONS
None

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8878	N	Ccf	\$.4332	03/31/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4149	04/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4339	06/01/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4744	06/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4824	07/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.3018	08/28/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: 7893 CITY ORDINANCE NO:
AMENDMENT (EXPLAIN):
OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4H_Public Schools and Local Gov't Sales_Crane Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9296

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 10/10/1991 ORIGINAL CONTRACT DATE: 09/09/1991 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-Crane-OS-COG		TEXAS GAS SERVICE
	COMPANY	
		Crane Service Area - West
	Texas Region	
		RATE SCHEDULE
	NO. 1	
		COST OF GAS
	CLAUSE	
	A. APPLICABILITY	
	This Cost of Gas Clause shall apply to all rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its Crane, Texas Service Area.	
	B. DEFINITIONS	
	1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.	
	2. Purchase Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.	
	3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.	
	4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9296

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

The period covered by the Reconciliation Audit for the initial year of operation of this clause shall begin with the month of September, 1983 and extend through the month of August 1984. The audit for this period shall determine:

(a) the balance of the correcting account by August 31, 1983,

(b) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(c) the sum of revenues received during the period from operation of the provisions of this Cost of Gas Clause and the Cost of Gas Adjustment and base cost of gas provisions in effect prior to this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on these revenues,

(d) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company during the period as a result of gas purchases or operation of this Cost of Gas Clause or the Cost of Gas Adjustment provision in effect prior to this Cost of Gas Clause, and

(e) an adjustment, if necessary for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9296

RATE SCHEDULESCHEDULE IDDESCRIPTION

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its customers. Similarly, the Company may surcharge its customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the sales, adjusted for known changes including the effects of weather, growth, and conservation, made during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9296

RATE SCHEDULESCHEDULE IDDESCRIPTION

For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

- (a) the El Paso, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e).

The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9296

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>Supersedes Same Sheet Dated Meters Read On and After February 16, 1992 August 24, 2001</p>
4Z-Crane-OS-PubA	<p>TEXAS GAS SERVICE COMPANY Crane Service Area - West Texas Region RATE SCHEDULE 4Z PUBLIC AUTHORITY SERVICE RATEAPPLICABILITYApplicable to public authority customers for all uses if not otherwise specifically provided for.TERRITORYUnincorporated areas in the vicinity of Crane, Texas.COST OF SERVICE RATEDuring each monthly billing period: A customer charge of \$10.00 plus All Gas @ .1346 per CcfCost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.PROMPT PAYMENT PROVISIONNone. Above rates are net.TAX REIMBURSEMENT OR CREDITThe Company is entitled to reimbursement from customers for the amount, prorated if necessary, of any increases, and shall credit to customer any decrease, in taxes or similar governmental charge (other than ad valorem and federal income and profits tax) imposed on account of the Company's local activities or business, borne by it directly or indirectly over and above the aggregate of such taxes and charges being borne by it as of January 1, 1966, including, without limitation, those required to be absorbed by it under its gas supply arrangements.CONDITIONS1. Subject to Company's applicable rules and regulations.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other customers. Supersedes Rate Sheet Dated Meters Read On and After June 22, 1988 October 10, 1991</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9296

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9296

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RATE ADJUSTMENT PROVISIONS
None

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8878	N	Ccf	\$.4332	03/31/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4149	04/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4339	06/01/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4744	06/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.4824	07/30/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			
8878	N	Ccf	\$.3018	08/28/2009
<u>CUSTOMER NAME</u>	CRANE - ENV			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: 7893 CITY ORDINANCE NO:
AMENDMENT(EXPLAIN) :
OTHER(EXPLAIN) : Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4Z_Public Authority Sales_Crane Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9297

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/1992 ORIGINAL CONTRACT DATE: 09/30/1991 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9297

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-McCamey-OS-COG

TEXAS GAS SERVICE

COMPANY

McCamey Service Area - West

Texas Region

RATE SCHEDULE

NO. 1

COST OF GAS

CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9297

RATE SCHEDULESCHEDULE IDDESCRIPTION

This Cost of Gas Clause shall apply to all rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its McCamey, Texas Service Area.

B. DEFINITIONS

1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.

2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. The period covered by the Reconciliation Audit for the initial year of operation of this clause shall begin with the month of September, 1983 and extend through the month of August, 1984. The audit for this period shall determine:

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- (a) the balance of the correcting account at August 31, 1983,
- (b) the total amount paid for gas purchased by the Company to provide service to its customers during the period,
- (c) the sum of revenues received during the period from operation of the provisions of this Cost of Gas Clause and the Cost of Gas Adjustment and base cost of gas provisions in effect prior to this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on these revenues,
- (d) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company during the period as a result of gas purchases or operation of this Cost of Gas Clause or the Cost of Gas Adjustment provision in effect prior to this Cost of Gas Clause, and
- (e) an adjustment, if necessary for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.
6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.
7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,
- (a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,
- (b) the revenues produced by the operation of this Cost of Gas Clause, and
- (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning

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

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its customers. Similarly, the Company may surcharge its customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the sales, adjusted for known changes including the effects of weather, growth, and conservation, made during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the El Paso, Texas Cost of Purchased Gas;

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RATE SCHEDULE

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(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated

Meters Read On and After February 16, 1992 August 24, 2001

1Z-McCamey-OS-Res

TEXAS GAS SERVICE

COMPANY

McCamey Service Area - West

Texas Region

RATE SCHEDULE 1Z

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9297

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

RESIDENTIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer for a single family residential unit when served through a single meter.

TERRITORY

Unincorporated areas in the vicinity of McCamey, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$10.00 plus The First 30 Ccf @ .2976 per Ccf

The Next 70 Ccf @ .1857 per Ccf

The Next 400 Ccf @ .1706 per Ccf

All Over 500 Ccf @ .1595 per Ccf

Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.

PROMPT PAYMENT PROVISION

None. Above rates are net.

TAX REIMBURSEMENT OR CREDIT

The Company is entitled to reimbursement from customers for the amount, prorated if necessary, of any increases, and shall credit to customers any decreases, in taxes or similar governmental charge (other than ad valorem and federal income and profits tax) imposed on account of the Company's local activities or business, borne by it directly or indirectly over and above the aggregate of such taxes and charges being borne by it as of September 30, 1991, including, without limitation, those required to be absorbed by it under its gas supply arrangements.

CONDITIONS

1. Subject to Company's applicable rules and regulations.
2. Residential service shall have priority in supply.

Supersedes Same Sheet Dated

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RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	Meters Read On and After
	October 29, 1991
	April 1, 1992

RATE ADJUSTMENT PROVISIONS
None

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8880	N	Ccf	\$.4251	03/31/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4000	04/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4154	06/01/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4546	06/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4597	07/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4011	08/28/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: 7892 CITY ORDINANCE NO:
AMENDMENT (EXPLAIN):
OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1Z_Residential Sales_McCamey Svc Area - Environs

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9298

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/01/1992 ORIGINAL CONTRACT DATE: 09/30/1991 RECEIVED DATE: 04/08/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-McCamey-OS-COG	TEXAS GAS SERVICE COMPANY Texas Region McCamey Service Area - West NO. 1 RATE SCHEDULE CLAUSE COST OF GAS
A. APPLICABILITY	
<p>This Cost of Gas Clause shall apply to all rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its McCamey, Texas Service Area.</p>	
B. DEFINITIONS	
<p>1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.</p>	
<p>2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.</p>	
<p>3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p>	
<p>4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.</p>	
<p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine</p>	

GAS SERVICES DIVISION

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the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. The period covered by the Reconciliation Audit for the initial year of operation of this clause shall begin with the month of September, 1983 and extend through the month of August, 1984. The audit for this period shall determine:

(a) the balance of the correcting account at August 31, 1983,

(b) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(c) the sum of revenues received during the period from operation of the provisions of this Cost of Gas Clause and the Cost of Gas Adjustment and base cost of gas provisions in effect prior to this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on these revenues,

(d) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company during the period as a result of gas purchases or operation of this Cost of Gas Clause or the Cost of Gas Adjustment provision in effect prior to this Cost of Gas Clause, and

(e) an adjustment, if necessary for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

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(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its customers. Similarly, the Company may surcharge its customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the sales, adjusted for known changes including the effects of weather, growth, and conservation, made during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

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(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the El Paso, Texas Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.

2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.

3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

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I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated

Meters Read On and After February 16, 1992 August 24, 2001

2Z-McCamey-OS-Com

TEXAS GAS SERVICE COMPANY McCamey Service Area - West Texas Region RATE SCHEDULE 2Z COMMERCIAL SERVICE RATEAPPLICABILITYService under this rate schedule is available to Commercial customers and any customer whose primary business activity at the location served is not provided for under any other rate schedule.TERRITORYUnincorporated areas in the vicinity of McCamey, Texas.COST OF SERVICE RATEDuring each monthly billing period:A Customer Charge of \$10.00 plus The first 30 Ccf @ .3152 per CcfThe Next 70 Ccf @ .2422 per CcfThe Next 400 Ccf @ .2274 per CcfAll Over 500 Ccf @ .2160 per CcfCost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.PROMPT PAYMENT PROVISIONNone. Above rates are net.TAX REIMBURSEMENT OR CREDITThe Company is entitled to reimbursement from customers for the amount, prorated if necessary, of any increases, and shall credit to customers any decreases, in taxes or similar governmental charge (other than ad valorem and federal income and profits tax) imposed on account of the Company's local activities or business, borne by it directly or indirectly over and above the aggregate of such taxes and charges being borne by it as of September 30, 1991, including, without limitation, those required to be absorbed by it under its gas supply arrangements. CONDITIONS1. Subject to Company's applicable rules and regulations.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other customers. Supersedes Same Sheet Dated Meters Read On and After October 29, 1991 April 1, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

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(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last

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billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
8880	N	Ccf	\$.4251	03/31/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4000	04/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4154	06/01/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4546	06/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4597	07/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4011	08/28/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7892 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9298

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 2Z_Commercial Sales_McCamey Svc Area - Environs

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9299

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/1992 ORIGINAL CONTRACT DATE: 09/30/1991 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-McCamey-OS-COG	TEXAS GAS SERVICE COMPANY McCamey Service Area - West Texas Region
	RATE SCHEDULE NO. 1 COST OF GAS CLAUSE
A. APPLICABILITY	
<p>This Cost of Gas Clause shall apply to all rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its McCamey, Texas Service Area.</p>	
B. DEFINITIONS	
<p>1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.</p>	
<p>2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.</p>	
<p>3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p>	
<p>4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.</p>	
<p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine</p>	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9299

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. The period covered by the Reconciliation Audit for the initial year of operation of this clause shall begin with the month of September, 1983 and extend through the month of August, 1984. The audit for this period shall determine:

(a) the balance of the correcting account at August 31, 1983,

(b) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(c) the sum of revenues received during the period from operation of the provisions of this Cost of Gas Clause and the Cost of Gas Adjustment and base cost of gas provisions in effect prior to this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on these revenues,

(d) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company during the period as a result of gas purchases or operation of this Cost of Gas Clause or the Cost of Gas Adjustment provision in effect prior to this Cost of Gas Clause, and

(e) an adjustment, if necessary for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9299

RATE SCHEDULESCHEDULE IDDESCRIPTION

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its customers. Similarly, the Company may surcharge its customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the sales, adjusted for known changes including the effects of weather, growth, and conservation, made during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9299

RATE SCHEDULESCHEDULE IDDESCRIPTION

- (1) over the same period of time as the over or under charge occurred,
- (2) over the same number of units sold during the period of the over or under charge, or
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.
- G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth
- (a) the El Paso, Texas Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.
- H. ANNUAL RECONCILIATION REPORT
- The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:
1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.
 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
 3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9299

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated

Meters Read On and After February 16, 1992 August 24, 2001

3Z-McCamey-OS-Ind

TEXAS GAS SERVICE COMPANY McCamey Service Area - West Texas Region
 RATE SCHEDULE 3Z INDUSTRIAL SERVICE RATEAPPLICABILITYService under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Division E and J - Utility and Government - facilities generating power for resale onlyTERRITORYUnincorporated areas in the vicinity of McCamey, Texas.COST OF SERVICE RATEDuring each monthly billing period:A Customer Charge of \$50.00 plus -The First 30 Ccf @ .3152 per Ccf The Next 70 Ccf @ .2422 per Ccf The Next 400 Ccf @ .2274 per Ccf All Over 500 Ccf @ .2160 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.PROMPT PAYMENT PROVISIONNone. Above rates are net.TAX REIMBURSEMENT OR CREDITThe Company is entitled to reimbursement from customers for the amount, prorated if necessary, of any increases, and shall credit to customer any decreases, in taxes or similar governmental charge (other than ad valorem and federal income and profits tax) imposed on account of the Company's local activities or business, borne by it directly or indirectly over and above the aggregate of such taxes and charges being borne by it as of September 30, 1991, including without limitation those required to be absorbed by it under its gas supply arrangements. CONDITIONS1. Subject to Company's applicable rules and regulations.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage from any cause whatsoever, to conserve gas for other customers. Supersedes Same Sheet Dated Meters Read On and After October 29, 1991 April 1, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9299

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9299

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
8880	N	Ccf	\$.4251	03/31/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4000	04/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4154	06/01/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4546	06/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4597	07/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4011	08/28/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9299

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7892 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3Z_Industrial Sales_McCamey Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9300

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/1992 ORIGINAL CONTRACT DATE: 09/30/1991 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-McCamey-OS-COG	TEXAS GAS SERVICE COMPANY Texas Region McCamey Service Area - West NO. 1 RATE SCHEDULE CLAUSE COST OF GAS
A. APPLICABILITY	
<p>This Cost of Gas Clause shall apply to all rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its McCamey, Texas Service Area.</p>	
B. DEFINITIONS	
<p>1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.</p>	
<p>2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.</p>	
<p>3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p>	
<p>4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.</p>	
<p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine</p>	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9300

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. The period covered by the Reconciliation Audit for the initial year of operation of this clause shall begin with the month of September, 1983 and extend through the month of August, 1984. The audit for this period shall determine:

(a) the balance of the correcting account at August 31, 1983,

(b) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(c) the sum of revenues received during the period from operation of the provisions of this Cost of Gas Clause and the Cost of Gas Adjustment and base cost of gas provisions in effect prior to this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on these revenues,

(d) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company during the period as a result of gas purchases or operation of this Cost of Gas Clause or the Cost of Gas Adjustment provision in effect prior to this Cost of Gas Clause, and

(e) an adjustment, if necessary for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9300

RATE SCHEDULESCHEDULE IDDESCRIPTION

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its customers. Similarly, the Company may surcharge its customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the sales, adjusted for known changes including the effects of weather, growth, and conservation, made during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9300

RATE SCHEDULESCHEDULE IDDESCRIPTION

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the El Paso, Texas Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.

2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.

3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9300

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated

Meters Read On and After February 16, 1992 August 24, 2001

4H-McCamey-OS-PubSch

TEXAS GAS SERVICE COMPANY McCamey Service Area - West Texas Region
RATE SCHEDULE 4H PUBLIC SCHOOLS AND LOCAL GOVERNMENT SERVICE
RATEAPPLICABILITYApplicable to public schools and local government customers for all purposes.TERRITORYUnincorporated areas in the vicinity of McCamey, TexasCOST OF SERVICE RATEDuring each monthly billing period:A Customer Charge of \$15.00 plus - All gas @ .2469 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.PROMPT PAYMENT PROVISIONNone. Above rates are net.TAX REIMBURSEMENT PROVISION OR CREDITThe Company is entitled to reimbursement from customer for the amount, prorated if necessary, of any increases, and shall credit to customer any decreases, in taxes or similar governmental charge (other than ad valorem and federal income and profits tax) imposed on account of the Company's local activities or business, borne by it directly or indirectly over and above the aggregate of such taxes and charges being borne by it as of September 30, 1991, including, without limitation, those required to be absorbed by it under its gas supply arrangements. CONDITIONS1.

Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other customers.

Supersedes Rate Schedule Dated Meters Read On and After October 29, 1991 April 1, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9300

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9300

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
8880	N	Ccf	\$.4251	03/31/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4000	04/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4154	06/01/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4546	06/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4597	07/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4011	08/28/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7892 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9300

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4H_Public Schools and Local Gov't Sales_McCamey Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9301

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/1992 ORIGINAL CONTRACT DATE: 09/30/1991 RECEIVED DATE: 04/08/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-McCamey-OS-COG	TEXAS GAS SERVICE COMPANY Texas Region McCamey Service Area - West NO. 1 RATE SCHEDULE CLAUSE COST OF GAS
A. APPLICABILITY	
<p>This Cost of Gas Clause shall apply to all rate schedules of Texas Gas Service Company (The Company) in the unincorporated area of its McCamey, Texas Service Area.</p>	
B. DEFINITIONS	
<p>1. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable.</p>	
<p>2. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by the Company during each twelve (12) month period ending June 30 by the sum of the volumes sold to customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation, all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.</p>	
<p>3. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p>	
<p>4. Cost of Gas - The rate per billing unit or the total calculation under this Cost of Gas Clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.</p>	
<p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine</p>	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9301

RATE SCHEDULESCHEDULE IDDESCRIPTION

the amount of over or under collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of gas purchases or operation of this Cost of Gas Clause, and

(d) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. The period covered by the Reconciliation Audit for the initial year of operation of this clause shall begin with the month of September, 1983 and extend through the month of August, 1984. The audit for this period shall determine:

(a) the balance of the correcting account at August 31, 1983,

(b) the total amount paid for gas purchased by the Company to provide service to its customers during the period,

(c) the sum of revenues received during the period from operation of the provisions of this Cost of Gas Clause and the Cost of Gas Adjustment and base cost of gas provisions in effect prior to this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid on these revenues,

(d) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company during the period as a result of gas purchases or operation of this Cost of Gas Clause or the Cost of Gas Adjustment provision in effect prior to this Cost of Gas Clause, and

(e) an adjustment, if necessary for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of this Cost of Gas Clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas as recorded on the Company's books and records,

(b) the revenues produced by the operation of this Cost of Gas Clause, and

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9301

RATE SCHEDULESCHEDULE IDDESCRIPTION

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its rate schedule(s), the Company shall bill each customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the sales volumes, adjusted for the effects of weather, growth, and conservation, for the last preceding period including the December billing cycle through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR USE OF FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If the sum of the monthly balances reflects an overcollection during the period, the Company shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If the sum of the monthly balances reflects an undercollection during the period, the Company shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its customers. Similarly, the Company may surcharge its customers for retroactive payments made for gas previously delivered into the system. If the payment or refund related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the sales, adjusted for known changes including the effects of weather, growth, and conservation, made during the applicable period. With regard to amounts received or paid that are applicable to periods less than twelve (12) consecutive months, the Company may at its option refund or collect such amounts

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9301

RATE SCHEDULESCHEDULE IDDESCRIPTION

(1) over the same period of time as the over or under charge occurred,

(2) over the same number of units sold during the period of the over or under charge, or

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial Statement as soon as is reasonably possible.) The Cost of Gas Statement shall set forth

(a) the El Paso, Texas Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees and taxes to be applied to revenues gathered by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending August 31.

2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.

3. A summary of all other costs and refunds made during the year and the status of the Reconciliation Account. This report shall be filed concurrently with the Cost of Gas Statement for December.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9301

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

I. TRANSITION ADJUSTMENTS

Prior to the beginning of the month of December next succeeding the effective month of this clause the Company shall determine the appropriate adjustments to be made to assure that no over or under collection of the cost of purchased gas results from the transition to this clause. The details of these adjustments, if any, shall be filed with the regulatory authority concurrently with the first annual Reconciliation Report.

Supersedes Same Sheet Dated

Meters Read On and After February 16, 1992 August 24, 2001

4Z-McCamey-OS-PubA

TEXAS GAS SERVICE COMPANY McCamey Service Area - West Texas Region
 RATE SCHEDULE 4Z PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to public authority customers for all uses if not otherwise specifically provided for. TERRITORY Unincorporated areas in the vicinity of McCamey, Texas. COST OF SERVICE RATEDuring each monthly billing period: A customer charge of \$10.00 plus The First 30 Ccf @ .3152 per Ccf The Next 70 Ccf @ .2422 per Ccf The Next 400 Ccf @ .2274 per Ccf All Over 500 Ccf @ .2160 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. PROMPT PAYMENT PROVISION None. Above rates are net. TAX REIMBURSEMENT OR CREDIT The Company is entitled to reimbursement from customers for the amount, prorated if necessary, of any increases, and shall credit to customer any decreases, in taxes or similar governmental charge (other than ad valorem and federal income and profits tax) imposed on account of the Company's local activities or business, borne by it directly or indirectly over and above the aggregate of such taxes and charges being borne by it as of September 30, 1991, including, without limitation, those required to be absorbed by it under its gas supply arrangements. CONDITIONS 1. Subject to Company's applicable rules and regulations. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other customers. Supersedes Same Sheet Dated Meters Read On and After October 29, 1991 April 1, 1992

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9301

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9301

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
8880	N	Ccf	\$.4251	03/31/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4000	04/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4154	06/01/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4546	06/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4597	07/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			
8880	N	Ccf	\$.4011	08/28/2009
<u>CUSTOMER NAME</u>	MCCAMEY - ENV			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7892 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9301

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 4Z_Public Authority Sales_McCamey Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9306

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID DESCRIPTION

10-Galv-IS-Res TEXAS GAS SERVICE COMPANY
Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 10
RESIDENTIAL SERVICE RATE

APPLICABILITY
Service under this rate schedule is available to any customer for a single family residential unit when served through a single meter.

TERRITORY
All customers in the incorporated area of Galveston, Texas.

COST OF SERVICE RATE
During each monthly billing period:
A Customer Charge of \$10.00 plus
All Ccf per monthly billing @ \$.1788 per Ccf

Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include:
1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC.
2. Adjustments in accordance with provisions of the Weather Normalization Clause, Rate Schedule WNC.

CURTAILABILITY This is the highest priority service rendered by the Company and, except in unusual circumstances, consumers in any other priority shall be curtailed before any curtailment of consumers served under this rate schedule.

OTHER CONDITIONS
1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Supersedes Same Rate Sheet Dated Meters Read On or After
July 1, 2008
June 30, 2009

PSF-All-ISOS-PipeFee TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the

GAS SERVICES DIVISION

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DESCRIPTION

amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee

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WNC-GalvSvcA-IS	<p>on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009</p> <p>TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following General Service rate schedules of Texas Gas Service Company in its Galveston Service Area: 10, 12, 13, 20, 22, 23, 40, 42, 43. The WNC rate shall be computed and adjusted monthly for each billing district. B. PURPOSE The WNC is designed to refund and/or surcharge over-collections and/or under-collections of revenue due to colder and/or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather variances in a timely and accurate manner, the WNC rate shall be calculated separately for each billing district, by rate code. Monthly WNC adjustments shall be based upon year-to-date weather information for annual periods beginning with September and ending with the last day of the following May billing cycle. The WNC adjustment shall be based on the following formula: $WNC\ Rate = WNC / CMV$, where $WNC = (HL / WF) - HL * BR - C + R$, where HL = Year-to-date heating load volumes; WF = Weather Factor = Year-to-date actual degree days divided by the year-to-date normal degree days; BR = Base Rate = The current base rate for the particular code; C = Year-to-date collections; R = Year-to-date refunds; CMV = Current month volumes. D. FILING WITH THE CITIES The Company will file with the Cities bi-weekly reports showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNC collections or refunds. Supersedes Same Sheet Dated Meters Read On and After July 1, 1993 August 1, 1996</p>
1-1-GalSvA-IS-COSAdj	TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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DESCRIPTION

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-1

COST OF SERVICE

ADJUSTMENT CLAUSE

A. APPLICABILITY

This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.

B. INTENT

The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.

C. EFFECTIVE DATE

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating

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expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

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Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:
 Changes in Return on Investment Plus:
 Changes in Federal Income Taxes
 Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

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The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated
 Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the

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amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

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C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company,

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the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall

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include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8898	N	Ccf	\$.5263	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5018	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4161	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:
AMENDMENT (EXPLAIN):
OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other (with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	10_Residential Sales_Galveston Svc Area - Incorp. Galveston, TX

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TARIFF CODE: DS RRC TARIFF NO: 9307

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

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Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

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Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:
 Changes in Return on Investment Plus:
 Changes in Federal Income Taxes
 Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9307

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9307

RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

GAS SERVICES DIVISION

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 9307

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

20-Galv-IS-Com

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 20 COMMERCIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is not provided for under any other rate schedule. TERRITORY All customers in the incorporated area of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus - All Ccf per monthly billing @ \$.2467 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. 2. Adjustments in accordance with provisions of the Weather Normalization Clause, Rate Schedule WNC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Commercial customers using more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. The rate schedule may be used for special unmetered service such as gas street lights. The total hourly rated consumption of all gas burning appliances included, expressed in Ccf, at the location, shall be multiplied by 731 to determine the average monthly consumption of the service. The result, rounded to the next highest Ccf shall then be billed the rates provided in this rate. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008
June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission

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GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9307

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DESCRIPTION

establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9307

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

WNC-GalvSvcA-IS

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following General Service rate schedules of Texas Gas Service Company in its Galveston Service Area: 10, 12, 13, 20, 22, 23, 40, 42, 43. The WNC rate shall be computed and adjusted monthly for each billing district. B. PURPOSE The WNC is designed to refund and/or surcharge over-collections and/or under-collections of revenue due to colder and/or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather variances in a timely and accurate manner, the WNC rate shall be calculated separately for each billing district, by rate code. Monthly WNC adjustments shall be based upon year-to-date weather information for annual periods beginning with September and ending with the last day of the following May billing cycle. The WNC adjustment shall be based on the following formula: WNC Rate = WNC/D, where CMV WNC/D = Weather Normalization Clause Dollars to be collected from each billing district, by rate class. This factor shall be based on the following formula: WNC/D = [(HL/WF) - HL] *BR - C + R, where HL = Year-to-date heating load volumes; WF = Weather Factor = Year-to-date actual degree days divided by the year-to-date normal degree days; BR = Base Rate = The current base rate for the particular code; C = Year-to-date collections; R = Year-to-date refunds; CMV = Current month volumes. D. FILING WITH THE CITIES The Company will file with the Cities bi-weekly reports showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNC collections or refunds. Supersedes Same Sheet Dated

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9307

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	Meters Read On and After July 1, 1993 August 1, 1996

RATE ADJUSTMENT PROVISIONS
See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8898	N	Ccf	\$.5263	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5018	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4161	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:
AMENDMENT(EXPLAIN) :
OTHER(EXPLAIN) : 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	20_Commercial Sales_Galveston Svc Area - Incorp. Galveston, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9308

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9308

RATE SCHEDULESCHEDULE IDDESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9308

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9308

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9308

RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

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F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

21-Galv-IS-Com AC

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 21 COMMERCIAL AIR CONDITIONING SERVICE RATE AVAILABILITY
Service under this rate schedule is available to all commercial customers who have and regularly operate a gas fired air conditioning system. TERRITORY All customers in the incorporated area of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus Apr. - Oct. Nov. - Mar. All Ccf per monthly billing period @ \$.1475 per Ccf \$.2467 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Commercial customers using more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rate on Schedule 20. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against

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operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission

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shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8898	N	Ccf	\$.5263	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5018	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4161	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	21_Commercial A/C Sales_Galveston Svc Area - Incorpor. Galveston, TX

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

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Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

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DESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:
 Changes in Return on Investment Plus:
 Changes in Federal Income Taxes
 Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

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approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

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4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

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F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

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H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

30-Galv-IS-Ind

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 30 INDUSTRIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Manual of the U.S. Government: Division B - Mining, All Major Groups Division D - Manufacturing, All Major Groups TERRITORY All customers in the incorporated area of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$50.00 plus - All Ccf per monthly billing @ \$.2475 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential and commercial customers in accordance with the Company's rules. Industrial customers using gas for firing boilers and for other uses of more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008
June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's

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pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas

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master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSadj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8898	N	Ccf	\$.5263	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5018	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4161	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 30_Industrial Sales_Galveston Svc Area - Incorp. Galveston, TX

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

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DESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

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Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

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approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

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4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

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F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

31-Galv-IS-Ind AC

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 31 Page 1 of 2 INDUSTRIAL AIR CONDITIONING SERVICE RATE
AVAILABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Manual of the U.S. Government:
Division B - Mining, All Major Groups Division D - Manufacturing, All Major Groups and who has and regularly operates a gas fired air conditioning system.
TERRITORY All customers in the incorporated area of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$50.00 plus
- Apr. - Oct. Nov. - Mar. All Ccf per monthly billing @ \$.1475 per Ccf \$.2475 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC.
CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential and commercial customers in accordance with the Company's rules. Industrial customers using gas for firing boilers and for other uses of more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to all laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rates on Schedule 30. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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RATE SCHEDULE

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DESCRIPTION

PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
 SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
 Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
 establishes a pipeline safety inspection fee, to be assessed annually against
 operators of natural gas distribution pipelines and pipeline facilities and natural
 gas master metered pipelines and pipeline facilities subject to the Commission's
 pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
 amount of revenue estimated to be collected under this section does not exceed the
 amount the Commission estimates to be necessary to recover the costs of
 administering the pipeline safety program under Texas Utilities Code, Chapter 121,
 excluding costs that are fully funded by federal sources, for any fiscal year.
 (b) The Commission hereby assesses each operator of a natural gas distribution
 system an annual pipeline safety program fee of \$0.50 for each service (service
 line) reported to be in service at the end of each calendar year by each system
 operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
 of each year. (1) Each operator of a natural gas distribution system shall
 calculate the total amount of the annual pipeline safety program fee to be paid to
 the Commission by multiplying the number of services listed in Part B, Section 3,
 of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
 due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
 a natural gas distribution system shall remit to the Commission on March 15 of each
 year, the amount calculated under paragraph (1) of this subsection. (3) Each
 operator of a natural gas distribution system shall recover, by a surcharge to its
 existing rates, the amount the operator paid to the Commission under paragraph (1)
 of this subsection. The surcharge: (A) shall be a flat rate, one-time
 surcharge; (B) shall not be billed before the operator remits the
 pipeline safety program fee to the Commission; (C) shall be applied in
 the billing cycle or cycles immediately following the date on which the operator
 paid the Commission; (D) shall not exceed \$0.50 per service or service
 line (For calendar year 2009 the annual pipeline safety program fee, effective with
 meters read on and after March 31, 2009, Texas Gas Service Company will bill all
 customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
 line) ; and (E) shall not be billed to a state agency, as that term is
 defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
 last billing cycle in which the pipeline safety program fee surcharge is billed to
 customers, each operator of a natural gas distribution system shall file with the
 Commission's Gas Services Division and the Safety Division a report showing:
 (A) the pipeline safety program fee amount paid to the Commission; (B)
 the unit rate and total amount of the surcharge billed to each customer;
 (C) the date or dates on which the surcharge was billed to customers; and
 (D) the total amount collected from customers from the surcharge. (5) Each
 operator of a natural gas distribution system that is a utility subject to the
 jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
 shall file a generally applicable tariff for its surcharge in conformance with the
 requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
 Amounts recovered from customers under this subsection by an investor-owned natural
 gas distribution system or a cooperatively owned natural gas distribution system
 shall not be included in the revenue or gross receipts of the system for the
 purpose of calculating municipal franchise fees or any tax imposed under Subchapter
 B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject
 to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3,

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSadj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8898	N	Ccf	\$.5263	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5018	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4161	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N

RRC DOCKET NO:

CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	31_Industrial A/C Sales_Galveston Svc Area - Incorpor. Galveston, TX

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

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Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

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Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

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approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

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4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

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F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

40-Galv-IS-PubA

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 40 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by governmental agencies not specifically provided for in other rate schedules or special contracts. TERRITORY All customers in the incorporated area of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus - All Ccf per monthly billing @ \$.2521 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. 2. Adjustments in accordance with provisions of the Weather Normalization Clause, Rate Schedule WNC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Public Authority customers using more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. The rate schedule may be used for special unmetered service such as gas street lights. The total hourly rated consumption of all gas burning appliances included, expressed in Ccf, at the location, shall be multiplied by 731 to determine the average monthly consumption of the service. The result, rounded to the next highest Ccf shall then be billed the rates provided in this rate. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008
June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline

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Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a

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natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNC-GalvSvcA-IS

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following General Service rate schedules of Texas Gas Service Company in its Galveston Service Area: 10, 12, 13, 20, 22, 23, 40, 42, 43. The WNC rate shall be computed and adjusted monthly for each billing district. B. PURPOSE The WNC is designed to refund and/or surcharge over-collections and/or under-collections of revenue due to colder and/or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather variances in a timely and accurate manner, the WNC rate shall be calculated separately for each billing district, by rate code. Monthly WNC adjustments shall be based upon year-to-date weather information for annual periods beginning with September and ending with the last day of the following May billing cycle. The WNC adjustment shall be based on the following formula: WNC Rate = WNC/D, where CMV WNC/D = Weather Normalization Clause Dollars to be collected from each billing district, by rate class. This factor shall be based on the following formula: WNC/D = [(HL/WF) - HL] * BR - C + R, where HL = Year-to-date heating load volumes; WF = Weather Factor = Year-to-date actual degree days divided by the year-to-date normal degree days; BR = Base Rate = The current base rate for the particular code; C = Year-to-date collections; R = Year-to-date refunds; CMV = Current month volumes. D. FILING WITH THE CITIES The Company will file with the Cities bi-weekly reports showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9311

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	verifying the past year's WNC collections or refunds. Supersedes Same Sheet Dated Meters Read On and After July 1, 1993 August 1, 1996

RATE ADJUSTMENT PROVISIONS
See 1-1-GalSvA-IS-COSadj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8898	N	Ccf	\$.5263	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5018	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4161	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:
AMENDMENT (EXPLAIN):
OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	40_Public Authority Sales_Galveston Svc Area - Incorpor. Galveston, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

RATE SCHEDULESCHEDULE IDDESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

RATE SCHEDULESCHEDULE IDDESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

RATE SCHEDULESCHEDULE IDDESCRIPTION

transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

RATE SCHEDULESCHEDULE IDDESCRIPTION

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

41-Galv-IS-PubA AC

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 41 PUBLIC AUTHORITY AIR CONDITIONING SERVICE RATE AVAILABILITY
Applicable to all public and parochial schools and colleges, and to all facilities operated by governmental agencies who have and regularly operate a gas fired air conditioning system. TERRITORY All customers in the incorporated area of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus - Apr. - Oct. Nov. - Mar. All Ccf per monthly billing @ \$.1475 per Ccf \$.2521 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Public Authority customers using more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the Cost of Service rates on Schedule 40. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8898	N	Ccf	\$.5263	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5018	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4161	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9312

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	41_Public Authority A/C Sales_Galveston Svc Area - Incorp. Galveston, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9313

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
12-JamBch-IS-Res	<p>TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE 12 RESIDENTIAL SERVICE RATE</p> <p>APPLICABILITY Service under this rate schedule is available to any customer for a single-family residential unit when served through a single meter.</p> <p>TERRITORY All customers in the incorporated area of Jamaica Beach, Texas.</p> <p>COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$10.00 plus All Ccf per monthly billing @ \$.1788 per Ccf</p> <p>Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include:</p> <ol style="list-style-type: none"> The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. Adjustments in accordance with provisions of the Weather Normalization Clause, Rate Schedule WNC. <p>CURTAILABILITY This is the highest priority service rendered by the Company and, except in unusual circumstances, consumers in any other priority shall be curtailed before any curtailment of consumers served under this rate schedule.</p> <p>OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Supersedes Same Rate Sheet Dated July 1, 2008 Meters Read On and After June 30, 2009</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total</p>

GAS SERVICES DIVISION
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RATE SCHEDULE

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DESCRIPTION

amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master

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DESCRIPTION

meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNC-GalvSvcA-IS

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following General Service rate schedules of Texas Gas Service Company in its Galveston Service Area: 10, 12, 13, 20, 22, 23, 40, 42, 43. The WNC rate shall be computed and adjusted monthly for each billing district. B. PURPOSE The WNC is designed to refund and/or surcharge over-collections and/or under-collections of revenue due to colder and/or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather variances in a timely and accurate manner, the WNC rate shall be calculated separately for each billing district, by rate code. Monthly WNC adjustments shall be based upon year-to-date weather information for annual periods beginning with September and ending with the last day of the following May billing cycle. The WNC adjustment shall be based on the following formula: $WNC\ Rate = WNC\ D$, where $CMV\ WNC\ D = Weather\ Normalization\ Clause\ Dollars\ to\ be\ collected\ from\ each\ billing\ district,\ by\ rate\ class.$ This factor shall be based on the following formula: $WNC\ D = [(HL/WF) - HL] * BR - C + R$, where $HL = Year-to-date\ heating\ load\ volumes;$ $WF = Weather\ Factor = Year-to-date\ actual\ degree\ days\ divided\ by\ the\ year-to-date\ normal\ degree\ days;$ $BR = Base\ Rate = The\ current\ base\ rate\ for\ the\ particular\ code;$ $C = Year-to-date\ collections;$ $R = Year-to-date\ refunds;$ $CMV = Current\ month\ volumes.$ D. FILING WITH THE CITIES The Company will file with the Cities bi-weekly reports showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNC collections or refunds. Supersedes Same Sheet Dated Meters Read On and After July 1, 1993 August 1, 1996

1-1-GalSvA-IS-COSAdj

TEXAS GAS SERVICE

COMPANY

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9313

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-1

COST OF SERVICE

ADJUSTMENT CLAUSE

A. APPLICABILITY

This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.

B. INTENT

The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.

C. EFFECTIVE DATE

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating

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RATE SCHEDULE

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DESCRIPTION

expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

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RATE SCHEDULE

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DESCRIPTION

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

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The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULESCHEDULE IDDESCRIPTION

amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

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TARIFF CODE: DS RRC TARIFF NO: 9313

RATE SCHEDULESCHEDULE IDDESCRIPTION

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company,

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9313

RATE SCHEDULESCHEDULE IDDESCRIPTION

the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	include but not necessarily limited to:
	1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
	2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
	3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.
	(For Incorporated only) Supersedes Rate Sch. 1 Same Sheet Dated Meters Read On and After February 16, 1992 August 24, 2001

RATE ADJUSTMENT PROVISIONS
See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8899	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:
AMENDMENT (EXPLAIN):
OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other (with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	12_Residential Sales_Galveston Svc Area - Incorp. Jamaica Beach, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9314

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

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TARIFF CODE: DS RRC TARIFF NO: 9314

RATE SCHEDULESCHEDULE IDDESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9314

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:
 Changes in Return on Investment Plus:
 Changes in Federal Income Taxes
 Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9314

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 9314

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

22-JamBch-IS-Com

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 22 COMMERCIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is not provided for under any other rate schedule. TERRITORY All customers in the incorporated area of Jamaica Beach, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus - All Ccf per monthly billing @ \$.2467 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. 2. Adjustments in accordance with provisions of the Weather Normalization Clause, Rate Schedule WNC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Commercial customers using more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. The rate schedule may be used for special unmetered service such as gas street lights. The total hourly rated consumption of all gas burning appliances included, expressed in Ccf, at the location, shall be multiplied by 731 to determine the average monthly consumption of the service. The result, rounded to the next highest Ccf shall then be billed the rates provided in this rate. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9314

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9314

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009

WNC-GalvSvcA-IS

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following General Service rate schedules of Texas Gas Service Company in its Galveston Service Area: 10, 12, 13, 20, 22, 23, 40, 42, 43. The WNC rate shall be computed and adjusted monthly for each billing district. B. PURPOSE The WNC is designed to refund and/or surcharge over-collections and/or under-collections of revenue due to colder and/or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather variances in a timely and accurate manner, the WNC rate shall be calculated separately for each billing district, by rate code. Monthly WNC adjustments shall be based upon year-to-date weather information for annual periods beginning with September and ending with the last day of the following May billing cycle. The WNC adjustment shall be based on the following formula: WNC Rate = WNC/D, where CMV WNC/D = Weather Normalization Clause Dollars to be collected from each billing district, by rate class. This factor shall be based on the following formula: WNC/D = [(HL/WF) - HL] * BR - C + R, where HL = Year-to-date heating load volumes; WF = Weather Factor = Year-to-date actual degree days divided by the year-to-date normal degree days; BR = Base Rate = The current base rate for the particular code; C = Year-to-date collections; R = Year-to-date refunds; CMV = Current month volumes. D. FILING WITH THE CITIES The Company will file with the Cities bi-weekly reports showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNC collections or refunds. Supersedes Same Sheet Dated

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9314

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	Meters Read On and After July 1, 1993 August 1, 1996

RATE ADJUSTMENT PROVISIONS
See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8899	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:
AMENDMENT(EXPLAIN) :
OTHER(EXPLAIN) : 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	22_Commercial Sales_Galveston Svc Area - Incorpor. Jamaica Beach, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9315

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9315

RATE SCHEDULESCHEDULE IDDESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9315

RATE SCHEDULESCHEDULE IDDESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9315

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

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F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

25-JamBch-IS-Com AC

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 25 COMMERCIAL AIR CONDITIONING SERVICE AVAILABILITY Service under this rate schedule is available to all commercial customers who have and regularly operate a gas fired air conditioning system. TERRITORY All customers in the incorporated area of Jamaica Beach, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus Apr. - Oct. Nov. - Mar. All Ccf per monthly billing period @ \$.1475 per Ccf \$.2467 per Ccf
Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Commercial customers using more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rate on Schedule 20. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural

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gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later

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GSD - 1 TARIFF REPORT

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than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8899	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	25_Commercial A/C Sales_Galveston Svc Area - Incorpor. Jamaica Beach, TX

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9316

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

- Depreciation and Amortization Expense (Account No. 403-405)
- *Taxes Other Than FIT (Account No. 408)
- **Distribution Expenses (Account Nos. 870-894)
- Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

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RATE SCHEDULESCHEDULE IDDESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

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RATE SCHEDULE

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approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9316

RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULESCHEDULE IDDESCRIPTION

transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9316

RATE SCHEDULESCHEDULE IDDESCRIPTION

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

32-JamBch-IS-Ind

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 32 INDUSTRIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Manual of the U.S. Government: Division B - Mining, All Major Groups Division D - Manufacturing, All Major Groups TERRITORY All customers in the incorporated area of Jamaica Beach, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$50.00 plus - All Ccf per monthly billing @ \$.2475 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential and commercial customers in accordance with the Company's rules. Industrial customers using gas for firing boilers and for other uses of more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008
June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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DESCRIPTION

master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSadj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8899	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

GAS SERVICES DIVISION

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 32_Industrial Sales_Galveston Svc Area - Incorp. Jamaica Beach, TX

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9317

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

GAS SERVICES DIVISION
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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:
 Changes in Return on Investment Plus:
 Changes in Federal Income Taxes
 Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

GAS SERVICES DIVISION
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DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

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RATE SCHEDULESCHEDULE IDDESCRIPTION

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

35-JamBch-IS-Ind AC

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 35 INDUSTRIAL AIR CONDITIONING SERVICE RATE AVAILABILITY
Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Manual of the U.S. Government: Division B - Mining, All Major Groups Division D - Manufacturing, All Major Groups and who has and regularly operates a gas fired air conditioning system.
TERRITORY All customers in the incorporated area of Jamaica Beach, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$50.00 plus
- Apr. - Oct. Nov. - Mar All Ccf per monthly billing @ \$.1475 per Ccf \$.2475 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC.
CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential and commercial customers in accordance with the Company's rules. Industrial customers using gas for firing boilers and for other uses of more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to all laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rates on Schedule 30. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9317

RATE SCHEDULESCHEDULE IDDESCRIPTION

SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual

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inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8899	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT(EXPLAIN) :

OTHER(EXPLAIN) : 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	35_Industrial A/C Sales_Galveston Svc Area - Incorpor. Jamaica Beach, TX

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.	
	B. INTENT	
	The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.	
	C. EFFECTIVE DATE	

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RATE SCHEDULESCHEDULE IDDESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

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RATE SCHEDULESCHEDULE IDDESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

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approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

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RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

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F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

42-JamBch-IS-PubA

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 42 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by governmental agencies not specifically provided for in other rate schedules or special contracts. TERRITORY All customers in the incorporated area of Jamaica Beach, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus - All Ccf per monthly billing @ \$.2521 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. 2. Adjustments in accordance with provisions of the Weather Normalization Clause, Rate Schedule WNC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Public Authority customers using more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. The rate schedule may be used for special unmetered service such as gas street lights. The total hourly rated consumption of all gas burning appliances included, expressed in Ccf, at the location, shall be multiplied by 731 to determine the average monthly consumption of the service. The result, rounded to the next highest Ccf shall then be billed the rates provided in this rate. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline

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RATE SCHEDULE

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Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNC-GalvSvcA-IS

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following General Service rate schedules of Texas Gas Service Company in its Galveston Service Area: 10, 12, 13, 20, 22, 23, 40, 42, 43. The WNC rate shall be computed and adjusted monthly for each billing district. B. PURPOSE The WNC is designed to refund and/or surcharge over-collections and/or under-collections of revenue due to colder and/or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather variances in a timely and accurate manner, the WNC rate shall be calculated separately for each billing district, by rate code. Monthly WNC adjustments shall be based upon year-to-date weather information for annual periods beginning with September and ending with the last day of the following May billing cycle. The WNC adjustment shall be based on the following formula: WNC Rate = WNC/D, where CMV WNC/D = Weather Normalization Clause Dollars to be collected from each billing district, by rate class. This factor shall be based on the following formula: WNC/D = [(HL/WF) - HL] * BR - C + R, where HL = Year-to-date heating load volumes; WF = Weather Factor = Year-to-date actual degree days divided by the year-to-date normal degree days; BR = Base Rate = The current base rate for the particular code; C = Year-to-date collections; R = Year-to-date refunds; CMV = Current month volumes. D. FILING WITH THE CITIES The Company will file with the Cities bi-weekly reports showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9318

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	verifying the past year's WNC collections or refunds. Supersedes Same Sheet Dated Meters Read On and After July 1, 1993 August 1, 1996

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8899	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:
 AMENDMENT (EXPLAIN):
 OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	42_Public Authority Sales_Galveston Svc Area - Incorpor. Jamaica Beach, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

- Depreciation and Amortization Expense (Account No. 403-405)
- *Taxes Other Than FIT (Account No. 408)
- **Distribution Expenses (Account Nos. 870-894)
- Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

RATE SCHEDULESCHEDULE IDDESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

RATE SCHEDULESCHEDULE IDDESCRIPTION

transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

45-JamBch-IS-PubA AC

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 45 PUBLIC AUTHORITY AIR CONDITIONING SERVICE RATE AVAILABILITY
Applicable to all public and parochial schools and colleges, and to all facilities operated by governmental agencies who have and regularly operate a gas fired air conditioning system. TERRITORY All customers in the incorporated area of Jamaica Beach, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus - Apr. - Oct. Nov. - Mar. All Ccf per monthly billing @ \$.1475 per Ccf \$.2521 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Public Authority customers using more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the Cost of Service rates on Schedule 40. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8899	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9319

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	45_Public Authority A/C Sales_Galveston Svc Area - Incorp. Jamaica Beach, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9320

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
13-BayouV-IS-Res	<p>TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE 13 RESIDENTIAL SERVICE RATE</p> <p>APPLICABILITY Service under this rate schedule is available to any customer for a single-family residential unit when served through a single meter.</p> <p>TERRITORY All customers in the incorporated area of Bayou Vista, Texas.</p> <p>COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$10.00 plus All Ccf per monthly billing @ \$.1788 per Ccf</p> <p>Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. 2. Adjustments in accordance with provisions of the Weather Normalization Clause, Rate Schedule WNC.</p> <p>CURTAILABILITY This is the highest priority service rendered by the Company and, except in unusual circumstances, consumers in any other priority shall be curtailed before any curtailment of consumers served under this rate schedule.</p> <p>OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9320

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system

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DESCRIPTION

shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009

WNC-GalvSvcA-IS

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following General Service rate schedules of Texas Gas Service Company in its Galveston Service Area: 10, 12, 13, 20, 22, 23, 40, 42, 43. The WNC rate shall be computed and adjusted monthly for each billing district. B. PURPOSE The WNC is designed to refund and/or surcharge over-collections and/or under-collections of revenue due to colder and/or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather variances in a timely and accurate manner, the WNC rate shall be calculated separately for each billing district, by rate code. Monthly WNC adjustments shall be based upon year-to-date weather information for annual periods beginning with September and ending with the last day of the following May billing cycle. The WNC adjustment shall be based on the following formula: $WNC\ Rate = WNC/D$, where $CMV\ WNC/D = Weather\ Normalization\ Clause\ Dollars\ to\ be\ collected\ from\ each\ billing\ district,\ by\ rate\ class.$ This factor shall be based on the following formula: $WNC/D = [(HL/WF) - HL] * BR - C + R$, where HL = Year-to-date heating load volumes; WF = Weather Factor = Year-to-date actual degree days divided by the year-to-date normal degree days; BR = Base Rate = The current base rate for the particular code; C = Year-to-date collections; R = Year-to-date refunds; CMV = Current month volumes. D. FILING WITH THE CITIES The Company will file with the Cities bi-weekly reports showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNC collections or refunds. Supersedes Same Sheet Dated Meters Read On and After July 1, 1993 August 1, 1996

1-1-GalSvA-IS-COSAdj

COMPANY

TEXAS GAS SERVICE

Galveston Service Area

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9320

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- Gulf Coast Region

RATE

SCHEDULE 1-1

COST OF SERVICE

ADJUSTMENT CLAUSE

A. APPLICABILITY

This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.

B. INTENT

The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.

C. EFFECTIVE DATE

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9320

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actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from

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the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related TaxesThe sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating ExpensesPlus:

Changes in Return on InvestmentPlus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate)

5. Cost of Service Adjustment RateThe amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9320

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated
Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9320

RATE SCHEDULESCHEDULE IDDESCRIPTION

audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9320

RATE SCHEDULESCHEDULE IDDESCRIPTION

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9320

RATE SCHEDULESCHEDULE IDDESCRIPTION

payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9320

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8897	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

SERVICES

TYPE OF SERVICE

SERVICE DESCRIPTION

A Residential Sales

OTHER TYPE DESCRIPTION

M Other(with detailed explanation)

OTHER TYPE DESCRIPTION 13_Residential Sales_Galveston Svc Area - Incorpor. Bayou Vista, TX

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9321

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9321

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9321

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:
 Changes in Return on Investment Plus:
 Changes in Federal Income Taxes
 Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

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RATE SCHEDULE

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DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

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RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

GAS SERVICES DIVISION

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

GAS SERVICES DIVISION

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F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

23-BayouV-IS-Com

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 23 COMMERCIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is not provided for under any other rate schedule. TERRITORY All customers in the incorporated area of Bayou Vista, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus - All Ccf per monthly billing @ \$.2467 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. 2. Adjustments in accordance with provisions of the Weather Normalization Clause, Rate Schedule WNC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Commercial customers using more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. The rate schedule may be used for special unmetered service such as gas street lights. The total hourly rated consumption of all gas burning appliances included, expressed in Ccf, at the location, shall be multiplied by 731 to determine the average monthly consumption of the service. The result, rounded to the next highest Ccf shall then be billed the rates provided in this rate. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9321

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9321

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

WNC-GalvSvcA-IS

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following General Service rate schedules of Texas Gas Service Company in its Galveston Service Area: 10, 12, 13, 20, 22, 23, 40, 42, 43. The WNC rate shall be computed and adjusted monthly for each billing district. B. PURPOSE The WNC is designed to refund and/or surcharge over-collections and/or under-collections of revenue due to colder and/or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather variances in a timely and accurate manner, the WNC rate shall be calculated separately for each billing district, by rate code. Monthly WNC adjustments shall be based upon year-to-date weather information for annual periods beginning with September and ending with the last day of the following May billing cycle. The WNC adjustment shall be based on the following formula: WNC Rate = WNC/D, where CMV WNC/D = Weather Normalization Clause Dollars to be collected from each billing district, by rate class. This factor shall be based on the following formula: WNC/D = [(HL/WF) - HL] *BR - C + R, where HL = Year-to-date heating load volumes; WF = Weather Factor = Year-to-date actual degree days divided by the year-to-date normal degree days; BR = Base Rate = The current base rate for the particular code; C = Year-to-date collections; R = Year-to-date refunds; CMV = Current month volumes. D. FILING WITH THE CITIES The Company will file with the Cities bi-weekly reports showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNC collections or refunds. Supersedes Same Sheet Dated

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GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9321

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	Meters Read On and After July 1, 1993 August 1, 1996

RATE ADJUSTMENT PROVISIONS
See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8897	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:
AMENDMENT(EXPLAIN) :
OTHER(EXPLAIN) : 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	23_Commercial Sales_Galveston Svc Area - Incorpor. Bayou Vista, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9322

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9322

RATE SCHEDULESCHEDULE IDDESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9322

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:
 Changes in Return on Investment Plus:
 Changes in Federal Income Taxes
 Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9322

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

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4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

GAS SERVICES DIVISION

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

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F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

24-BayouV-IS-Com AC

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 24 COMMERCIAL AIR CONDITIONING SERVICE RATE AVAILABILITY
Service under this rate schedule is available to all commercial customers who have and regularly operate a gas fired air conditioning system. TERRITORY All customers in the incorporated area of Bayou Vista, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus - Apr. - Oct. Nov. - Mar. All Ccf per monthly billing @ \$.1475 per Ccf \$.2467 per Ccf
Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Commercial customers using more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the cost of service rate on Schedule 23. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against

GAS SERVICES DIVISION

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operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge. (5) Each

operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6)

Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per

master meter system no later than June 30 of each year. (2) The Commission

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shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8897	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	24_Commercial A/C Sales_Galveston Svc Area - Incorpor. Bayou Vista, TX

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TARIFF CODE: DS RRC TARIFF NO: 9323

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

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TARIFF CODE: DS RRC TARIFF NO: 9323

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

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TARIFF CODE: DS RRC TARIFF NO: 9323

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4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULESCHEDULE IDDESCRIPTION

transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9323

RATE SCHEDULESCHEDULE IDDESCRIPTION

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

33-BayouV-IS-Ind

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 33 INDUSTRIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Manual of the U.S. Government: Division B - Mining, All Major Groups Division D - Manufacturing, All Major Groups TERRITORY All customers in the incorporated area of Bayou Vista, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$50.00 plus - All Ccf per monthly billing @ \$.2475 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential and commercial customers in accordance with the Company's rules. Industrial customers using gas for firing boilers and for other uses of more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master

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meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSadj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8897	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

GAS SERVICES DIVISION

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 33_Industrial Sales_Galveston Svc Area - Incorp. Bayou Vista, TX

GAS SERVICES DIVISION
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DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

GAS SERVICES DIVISION

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RATE SCHEDULE

SCHEDULE IDDESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

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DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

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transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

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RATE SCHEDULESCHEDULE IDDESCRIPTION

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

43-BayouV-IS-PubA

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 43 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by governmental agencies not specifically provided for in other rate schedules or special contracts. TERRITORY All customers in the incorporated area of Bayou Vista, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus - All Ccf per monthly billing @ \$.2521 per Ccf Other Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. 2. Adjustments in accordance with provisions of the Weather Normalization Clause, Rate Schedule WNC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Public Authority customers using more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. The rate schedule may be used for special unmetered service such as gas street lights. The total hourly rated consumption of all gas burning appliances included, expressed in Ccf, at the location, shall be multiplied by 731 to determine the average monthly consumption of the service. The result, rounded to the next highest Ccf shall then be billed the rates provided in this rate. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008
June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9325

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9325

RATE SCHEDULE

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DESCRIPTION

natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNC-GalvSvcA-IS

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE WNC WEATHER NORMALIZATION CLAUSE. APPLICABILITY The Weather Normalization Clause (WNC) shall apply to the following General Service rate schedules of Texas Gas Service Company in its Galveston Service Area: 10, 12, 13, 20, 22, 23, 40, 42, 43. The WNC rate shall be computed and adjusted monthly for each billing district. B. PURPOSE The WNC is designed to refund and/or surcharge over-collections and/or under-collections of revenue due to colder and/or warmer than normal weather, as established in the Company's most recent rate filing. C. WNC MECHANISM In order to reflect weather variances in a timely and accurate manner, the WNC rate shall be calculated separately for each billing district, by rate code. Monthly WNC adjustments shall be based upon year-to-date weather information for annual periods beginning with September and ending with the last day of the following May billing cycle. The WNC adjustment shall be based on the following formula: WNC Rate = WNC/D, where CMV WNC/D = Weather Normalization Clause Dollars to be collected from each billing district, by rate class. This factor shall be based on the following formula: WNC/D = [(HL/WF) - HL] *BR - C + R, where HL = Year-to-date heating load volumes; WF = Weather Factor = Year-to-date actual degree days divided by the year-to-date normal degree days; BR = Base Rate = The current base rate for the particular code; C = Year-to-date collections; R = Year-to-date refunds; CMV = Current month volumes. D. FILING WITH THE CITIES The Company will file with the Cities bi-weekly reports showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9325

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	verifying the past year's WNC collections or refunds. Supersedes Same Sheet Dated Meters Read On and After July 1, 1993 August 1, 1996

RATE ADJUSTMENT PROVISIONS
See 1-1-GalsvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8897	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:
AMENDMENT (EXPLAIN):
OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	43_Public Authority Sales_Galveston Svc Area - Incorpor. Bayou Vista, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9326

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/15/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-1-GalSvA-IS-COSAdj		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area
	- Gulf Coast Region	
		RATE
	SCHEDULE 1-1	
		COST OF SERVICE
	ADJUSTMENT CLAUSE	
	A. APPLICABILITY	
	<p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Galveston, Bayou Vista and Jamaica Beach, Texas.</p>	
	B. INTENT	
	<p>The intent of the Cost of Service Adjustment Clause is to reduce the frequency of costly and lengthy general rate cases that both the Cities and the Company must endure in order to adjust rates. This clause is not intended to supplant the current ratemaking and regulatory process, but rather supplement this process. Full rate cases are generally called for when significant changes (either decreases or increases) have occurred in, for example, invested capital and equipment, operating costs, cost of capital, or the customer base. The impact of inflation or deflation on the overall well-being of the Company is constantly occurring, but may not warrant a full rate hearing until such time as one or more of these items has significantly changed and would thereby adversely affect the Company or the ratepayer. The mechanism for providing this interim relief is that of adjusting rates annually to reflect changes in the cost of service compared to the most recent rate case. Any rate adjustment is to be limited to the lesser of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics during the calendar year, and the actual percentage change in the revenue requirement after gross-ups, as described in Section D. The Clause is not intended to provide complete and total rate relief, but is to provide a measure of relief until such time as a complete rate case and rate design undertaking are warranted.</p>	
	C. EFFECTIVE DATE	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9326

RATE SCHEDULESCHEDULE IDDESCRIPTION

Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than May 15, with rate adjustments to be effective the first billing cycle of July each year.

D. COMPONENTS OF RATE ADJUSTMENT

Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses - Operating expenses will be determined by the ending balances for the applicable calendar year.

The applicable expenses are:

Depreciation and Amortization Expense (Account No. 403-405)

*Taxes Other Than FIT (Account No. 408)

**Distribution Expenses (Account Nos. 870-894)

Customer Related Expenses (Account Nos. 901-916)

Administrative & General Expenses (Account Nos. 920-932, except 928)

Interest on Customer Deposits (Account No. 431)*

Based on last city-approved depreciation methods and lives.** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.

2. Return on Investment - The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in ServicePlus:

Other Rate Base Items*Less:

Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Contributions in Aid of Construction (Account No. 271)

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9326

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories, prepayments, and Petty Cash levels approved in the most recent general rate case.

3. Federal Income Taxes - Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less:

Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case) Multiplied by: Tax Factor (.35/(1-.35) or .53846)

Less:

Investment Tax Credit (from most recent general rate case)

Excess:

Deferred Taxes (from most recent general rate case)

4. Revenue Related Taxes The sum of the calculations performed in compliance with the provisions of

Sections D.1, D.2, and D.3 will be adjusted by the revenue related tax factor based on the effective tax rates from the last general rate case calculated as follows:

Changes in Operating Expenses Plus:

Changes in Return on Investment Plus:

Changes in Federal Income Taxes

Multiplied By: Tax Factor (effective rate/(1-effective rate))

5. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9326

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

E. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The cities will have a period of not less than forty-five (45) days within which to review the proposed annual rate adjustment prior to its taking effect with bills rendered on or after July 1st of each year. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Supersedes Same Sheet Dated

Meters Read On and After August 1, 1992

June 25, 2002

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9326

RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9326

RATE SCHEDULESCHEDULE IDDESCRIPTION

transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9326

RATE SCHEDULESCHEDULE IDDESCRIPTION

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

44-BayouV-IS-PubA AC

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
RATE SCHEDULE 44 PUBLIC AUTHORITY AIR CONDITIONING SERVICE RATE AVAILABILITY
Applicable to all public and parochial schools and colleges, and to all facilities operated by governmental agencies who have and regularly operate a gas fired air conditioning system. TERRITORY All customers in the incorporated area of Bayou Vista, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$15.00 plus - Apr. - Oct. Nov. - Mar. All Ccf per monthly billing period @ \$.1475 per Ccf \$.2521 per Ccf Other
Applicable Schedules: In addition to the Cost of Service set forth above, each customer's bill shall include: 1. The Cost of Gas for the billing month as determined in accordance with Rate Schedule 1-INC. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Public Authority customers using more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the Cost of Service rates on Schedule 43. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Rate Sheet Dated Meters Read On and After July 1, 2008 June 30, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9326

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9326

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

See 1-1-GalSvA-IS-COSAdj (RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE)

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8897	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): 7/1/2008 rates superseded per Cost of Service Adjustment effective 6/30/2009.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9326

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	44_Public Authority A/C Sales_Galveston Svc Area - Incorp. Bayou Vista, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9327

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/09/1988 ORIGINAL CONTRACT DATE: 06/09/1988 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9327

RATE SCHEDULE

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DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-GalvSvcA-OS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area -

Gulf Coast Region

RATE

SCHEDULE 1

PURCHASED GAS ADJUSTMENT

CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9327

RATE SCHEDULESCHEDULE IDDESCRIPTION

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

- (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,
- (b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid on those revenues,
- (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and
- (d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9327

RATE SCHEDULESCHEDULE IDDESCRIPTION

volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
 (b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and
 (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9327

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multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

- (1) over the same period of time as the over- or under-charge occurred,
- (2) over the same number of units sold during the period of the over- or under-charge, or it may
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall

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 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated
 Meters Read On and After
 February 16, 1992 August 24, 2001

1C-BayouV-OS-Res

COMPANY

TEXAS GAS SERVICE

Bayou Vista Service Area -

Gulf Coast Region

RATE SCHEDULE 1C
 RESIDENTIAL SERVICE RATE

AVAILABILITY

Service under this rate schedule is available to any customer for a single-family residential unit when served through a single meter.

TERRITORY

All of the Company's service area in the unincorporated areas of the Village of Bayou Vista, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$7.50 plus All Ccf per monthly billing period @ \$.1088 per Ccf

Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.

CURTAILABILITY

This is the highest priority service rendered by the Company and, except in unusual

GAS SERVICES DIVISION
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TARIFF CODE: DS RRC TARIFF NO: 9327

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	<p>circumstances, consumers in any other priority shall be curtailed before any curtailment of consumers served under this rate schedule.</p> <p>OTHER CONDITIONS</p> <p>1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Supersedes Sheet Dated Bills Rendered On and After January 28, 1986</p> <p>June 9, 1988</p>

RATE ADJUSTMENT PROVISIONS
None

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8900	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING		
NEW?: N	RRC DOCKET NO: 7076	CITY ORDINANCE NO:
<u>AMENDMENT (EXPLAIN):</u>		
<u>OTHER (EXPLAIN):</u> Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.		

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9327

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 1C_Residential Sales_Galveston Svc Area - Environs of Bayou Vista, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9328

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/09/1988 ORIGINAL CONTRACT DATE: 06/09/1988 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-GalvSvcA-OS-PGA		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area -
	Gulf Coast Region	
		RATE
	SCHEDULE 1	
		PURCHASED GAS ADJUSTMENT
	CLAUSE	
	A. APPLICABILITY	
	This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
	(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid	

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on those revenues,
 (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and
 (d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
 (b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and
 (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 9328

RATE SCHEDULESCHEDULE IDDESCRIPTION

revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9328

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source for month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

2C-BayouV-OS-Com

TEXAS GAS SERVICE COMPANY Bayou Vista Service Area - Gulf Coast Region
 RATE SCHEDULE 2C COMMERCIAL SERVICE RATE AVAILABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is not provided for under any other rate schedule. TERRITORY All of the Company's service area in the unincorporated areas of the Village of Bayou Vista, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$10.00 plus All Ccf per monthly billing period @ \$.1384 per Ccf
 COST OF GAS COMPONENT: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Commercial customers using more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9328

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

the regulatory authority.2. The rate schedule may be used for special unmetered service such as gas streetlights. The total hourly rated consumption of all gas burning appliances included, expressed in Ccf, at the location, shall be multiplied by 731 to determine the average monthly consumption of the service. The result, rounded to the next highest Ccf shall then be billed the rates provided in this rate. Supersedes sheet dated Bills Rendered On and After January 28, 1986 June 9, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9328

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9328

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8900	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2C_Commercial Sales_Galveston Svc Area - Environs of Bayou Vista, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9329

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/09/1988 ORIGINAL CONTRACT DATE: 06/09/1988 RECEIVED DATE: 04/07/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-GalvSvcA-OS-PGA		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area -
	Gulf Coast Region	
		RATE
	SCHEDULE 1	
		PURCHASED GAS ADJUSTMENT
	CLAUSE	
	A. APPLICABILITY	
	This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
	(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9329

RATE SCHEDULESCHEDULE IDDESCRIPTION

on those revenues,
 (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and
 (d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
 (b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and
 (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9329

RATE SCHEDULESCHEDULE IDDESCRIPTION

revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9329

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source for month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

3C-BayouV-OS-Ind

TEXAS GAS SERVICE COMPANY Bayou Vista Service Area - Gulf Coast Region
 RATE SCHEDULE 3C INDUSTRIAL SERVICE RATE AVAILABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Manual of the U.S. Government: Division B - Mining, all Major Groups Division D - Manufacturing, All Major Groups TERRITORY All of the Company's service area in the unincorporated areas of the Village of Bayou Vista, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$30.00 plus - All Ccf per monthly billing period @ \$.1311 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential and commercial customers in accordance with the Company's rules. Industrial customers using gas for firing

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9329

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

boilers and for other uses of more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS1. Subject to all laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Sheet Dated Bills Rendered On and After January 28, 1986 June 9, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6)

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9329

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9329

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8900	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3C_Industrial Sales_Galveston Svc Area - Environs of Bayou Vista, TX

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9330

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/09/1988 ORIGINAL CONTRACT DATE: 06/09/1988 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-GalvSvcA-OS-PGA		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area -
	Gulf Coast Region	
		RATE
	SCHEDULE 1	
		PURCHASED GAS ADJUSTMENT
	CLAUSE	
	A. APPLICABILITY	
	This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
	(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid	

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on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of

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revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

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The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

4C-BayouV-OS-PubA

TEXAS GAS SERVICE COMPANY Bayou Vista Service Area - Gulf Coast Region
 RATE SCHEDULE 4C PUBLIC AUTHORITY SERVICE RATE AVAILABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by governmental agencies not specifically provided for in other rate schedules or special contracts. TERRITORY All of the Company's service area in the unincorporated areas of the Village of Bayou Vista, Texas. COST OF SERVICE RATEDuring each monthly billing period: A Customer Charge of \$10.00 plus -All Ccf per monthly billing period @ \$.1389 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Public Authority customers using more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and

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the Company's rules and regulations on file with the regulatory authority.2. The rate schedule may be used for special unmetered service such as gas street lights. The total hourly rated consumption of all gas burning appliances included, expressed in Ccf, at the location, shall be multiplied by 731 to determine the average monthly consumption of the service. The result, rounded to the next highest Ccf shall then be billed the rates provided in this rate. Supersedes Sheet Dated Bills Rendered On and After January 28, 1986 June 9, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the

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jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
8900	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4C_Public Authority Sales_Galveston Svc Area - Environs of Bayou Vista, TX

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/09/1988 ORIGINAL CONTRACT DATE: 06/09/1988 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

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shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

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TEXAS GAS SERVICE

COMPANY

Galveston Service Area -

Gulf Coast Region

RATE

SCHEDULE 1

PURCHASED GAS ADJUSTMENT

CLAUSE

A. APPLICABILITY

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This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

- (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,
- (b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid on those revenues,
- (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and
- (d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all

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volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
 (b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and
 (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance

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multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

- (1) over the same period of time as the over- or under-charge occurred,
- (2) over the same number of units sold during the period of the over- or under-charge, or it may
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9331

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated
 Meters Read On and After
 February 16, 1992 August 24, 2001

1Z-Galv-OS-Res

SERVICE COMPANY

TEXAS GAS

Galveston Service

Area - Gulf Coast Region

RATE SCHEDULE 1Z
 RESIDENTIAL SERVICE RATE

AVAILABILITY

Service under this rate schedule is available to any customer for a single-family residential unit when served through a single meter.

TERRITORY

All of the Company's service area in the unincorporated areas of Galveston, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$7.50 plus
 All Ccf per monthly billing period @ \$.1088 per Ccf
 Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.

CURTAILABILITY

This is the highest priority service rendered by the Company and, except in unusual

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9331

RATE SCHEDULE

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DESCRIPTION

circumstances, consumers in any other priority shall be curtailed before any curtailment of consumers served under this rate schedule.

OTHER CONDITIONS

1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Supersedes Sheet Dated

Bills Rendered On and After January 28, 1986

June 9, 1988

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>
8901	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9331

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 1Z_Residential Sales_Galveston Svc Area - Environs of Galveston, TX

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9332

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/09/1988 ORIGINAL CONTRACT DATE: 06/09/1988 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-GalvSvcA-OS-PGA		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area -
	Gulf Coast Region	
		RATE
	SCHEDULE 1	
		PURCHASED GAS ADJUSTMENT
	CLAUSE	
	A. APPLICABILITY	
	This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
	(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid	

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GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9332

RATE SCHEDULESCHEDULE IDDESCRIPTION

on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9332

RATE SCHEDULESCHEDULE IDDESCRIPTION

revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9332

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source for month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

2Z-Galv-OS-Com

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
 RATE SCHEDULE 2Z COMMERCIAL SERVICE RATE AVAILABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is not provided for under any other rate schedule. TERRITORY All of the Company's service area in the unincorporated areas of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$10.00 plus All Ccf per monthly billing period @ \$.1384 per Ccf
 Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Commercial customers using more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. The rate

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9332

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

schedule may be used for special unmetered service such as gas street lights. The total hourly rated consumption of all gas burning appliances included, expressed in Ccf, at the location, shall be multiplied by 731 to determine the average monthly consumption of the service. The result, rounded to the next highest Ccf shall then be billed the rates provided in this rate. Supersedes sheet dated Bills Rendered On and After January 28, 1986 June 9, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9332

RATE SCHEDULE

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DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9332

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8901	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2Z_Commercial Sales_Galveston Svc Area - Environs of Galveston, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9333

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/09/1988 ORIGINAL CONTRACT DATE: 06/09/1988 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-GalvSvcA-OS-PGA		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area -
	Gulf Coast Region	
		RATE
	SCHEDULE 1	
		PURCHASED GAS ADJUSTMENT
	CLAUSE	
	A. APPLICABILITY	
	This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
	(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid	

GAS SERVICES DIVISION

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RATE SCHEDULESCHEDULE IDDESCRIPTION

on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9333

RATE SCHEDULESCHEDULE IDDESCRIPTION

revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9333

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source for month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

3Z-Galv-OS-Ind

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
 RATE SCHEDULE 3Z INDUSTRIAL SERVICE RATE AVAILABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Manual of the U.S. Government: Division B - Mining, all Major Groups Division D - Manufacturing, All Major Groups TERRITORY All of the Company's service area in the unincorporated areas of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$30.00 plus -All Ccf per monthly billing period @ \$.1311 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential and commercial customers in accordance with the Company's rules. Industrial customers using gas for firing boilers and for other uses of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9333

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

more than 15,000 Ccf in any month may be curtailed first in the class.OTHER CONDITIONS1. Subject to all laws and orders, and the Company's rules and regulations on file with the regulatory authority. Supersedes Sheet Dated Bills Rendered On and After January 28, 1986 June 9, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6)

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9333

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9333

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8901	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3Z_Industrial Sales_Galveston Svc Area - Environs of Galveston, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9334

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/09/1988 ORIGINAL CONTRACT DATE: 06/09/1988 RECEIVED DATE: 04/07/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-GalvSvcA-OS-PGA		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area -
	Gulf Coast Region	
		RATE
	SCHEDULE 1	
		PURCHASED GAS ADJUSTMENT
	CLAUSE	
	A. APPLICABILITY	
	This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
	(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9334

RATE SCHEDULESCHEDULE IDDESCRIPTION

on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9334

RATE SCHEDULESCHEDULE IDDESCRIPTION

revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9334

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

4Z-Galv-OS-PubA

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
 RATE SCHEDULE 4Z PUBLIC AUTHORITY SERVICE RATE AVAILABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by governmental agencies not specifically provided for in other rate schedules or special contracts. TERRITORY All of the Company's service area in the unincorporated areas of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$10.00 plus -All Ccf per monthly billing period @ \$.1389 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Public Authority customers using more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to applicable laws and orders, and the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9334

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Company's rules and regulations on file with the regulatory authority.2. The rate schedule may be used for special unmetered service such as gas streetlights. The total hourly rated consumption of all gas burning appliances included, expressed in Ccf, at the location, shall be multiplied by 731 to determine the average monthly consumption of the service. The result, rounded to the next highest Ccf shall then be billed the rates provided in this rate. Supersedes Sheet Dated Bills Rendered On and After January 28, 1986 June 9, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9334

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9334

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8901	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4Z_Public Authority Sales_Galveston Svc Area - Environs of Galveston, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9335

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/10/1988 ORIGINAL CONTRACT DATE: 06/10/1988 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

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shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-GalvSvcA-OS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area -

Gulf Coast Region

RATE

SCHEDULE 1

PURCHASED GAS ADJUSTMENT

CLAUSE

A. APPLICABILITY

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This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

- (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,
- (b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid on those revenues,
- (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and
- (d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all

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volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
 (b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and
 (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance

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multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

- (1) over the same period of time as the over- or under-charge occurred,
- (2) over the same number of units sold during the period of the over- or under-charge, or it may
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall

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include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated
Meters Read On and After
February 16, 1992 August 24, 2001

2A-Galv-OS-Com AC

TEXAS GAS

SERVICE COMPANY

Galveston Service

Area - Gulf Coast Region

RATE

SCHEDULE 2A

COMMERCIAL AIR

CONDITIONING SERVICE RATE

AVAILABILITY Service under this rate schedule is available to all commercial customers who have and regularly operate a gas fired air conditioning system. TERRITORY All of the Company's service area in the unincorporated areas of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$5.00 plus - Apr. - Oct. Nov. - Mar. All Ccf per monthly billing @ \$.0700 per Ccf \$.1384 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Commercial customers using more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas-fired air conditioning system. Non-air conditioning usage is subject to the cost of service rate on Schedule 2Z. 3. Air conditioning equipment must be inspected and verified as to capacity by qualified company personnel. Initial Rate June 10, 1988

RATE ADJUSTMENT PROVISIONS

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None

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8901	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2A_Commercial A/C Sales_Galveston Svc Area - Environs of Galveston, TX

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DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/10/1988 ORIGINAL CONTRACT DATE: 06/10/1988 RECEIVED DATE: 04/07/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-GalvSvcA-OS-PGA		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area -
	Gulf Coast Region	
		RATE
	SCHEDULE 1	
		PURCHASED GAS ADJUSTMENT
	CLAUSE	
	A. APPLICABILITY	
	This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
	(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid	

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on those revenues,
 (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and
 (d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
 (b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and
 (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of

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revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

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DESCRIPTION

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source for the month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

3A-Galv-OS-Ind AC

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
 RATE SCHEDULE 3A INDUSTRIAL AIR CONDITIONING SERVICE RATE AVAILABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Manual of the U.S. Government: Division B - Mining, All Major Groups Division D - Manufacturing, All Major Groups and who has and regularly operates a gas fired air conditioning system. TERRITORY All of the Company's service area in the unincorporated areas of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$5.00 plus - Apr. - Oct. Nov. - Mar. All Ccf per monthly billing period @ \$.0700 per Ccf \$.1311 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential and commercial customers in

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accordance with the Company's rules. Industrial customers using gas for firing boilers and for other uses of more than 15,000 Ccf in any month may be curtailed first in the class. OTHER CONDITIONS 1. Subject to all laws and orders, and the Company's rules and regulations on file with the regulatory authority. 2. Service under this schedule applies only to usage from a separately metered gas-fired air conditioning system. Non-air conditioning usage is subject to the cost of service rates on Schedule 3Z.3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Initial Rate June 10, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9336

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>(D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008</p> <p style="text-align: center;">March 31, 2009</p>

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9336

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8901	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3A_Industrial A/C Sales_Galveston Svc Area - Environs of Galveston, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9337

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/10/1988 ORIGINAL CONTRACT DATE: 06/10/1988 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-GalvSvcA-OS-PGA		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area -
	Gulf Coast Region	
		RATE
	SCHEDULE 1	
		PURCHASED GAS ADJUSTMENT
	CLAUSE	
	A. APPLICABILITY	
	This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
	(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid	

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 9337

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on those revenues,
 (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and
 (d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
 (b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and
 (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9337

RATE SCHEDULESCHEDULE IDDESCRIPTION

revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9337

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source for the month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

4A-Galv-OS-PubA AC

TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region
 RATE SCHEDULE 4A PUBLIC AUTHORITY AIR CONDITIONING SERVICE
 RATE AVAILABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by governmental agencies who have and regularly operate a gas fired air conditioning system. TERRITORY All of the Company's service area within the unincorporated areas of Galveston, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$5.00 plus - Apr. - Oct. Nov. - Mar. All Ccf per monthly billing period @ \$.0700 per Ccf \$.1389 per Ccf
 Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. CURTAILABILITY Service under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Public Authority customers using more than 15,000 Ccf in any month may be curtailed first in this class. OTHER CONDITIONS 1. Subject to

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9337

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SCHEDULE ID

DESCRIPTION

applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the Cost of Service rates on Schedule 4Z.3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Initial Rate June 10, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9337

RATE SCHEDULE

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DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9337

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8901	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4A_Public Authority A/C Sales_Galveston Svc Area - Environs of Galveston, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9338

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/29/1988 ORIGINAL CONTRACT DATE: 06/29/1988 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9338

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-GalvSvcA-OS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area -

Gulf Coast Region

RATE

SCHEDULE 1

PURCHASED GAS ADJUSTMENT

CLAUSE

A. APPLICABILITY

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9338

RATE SCHEDULESCHEDULE IDDESCRIPTION

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

- (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,
- (b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid on those revenues,
- (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and
- (d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all

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RATE SCHEDULESCHEDULE IDDESCRIPTION

volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
 (b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and
 (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance

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multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

- (1) over the same period of time as the over- or under-charge occurred,
- (2) over the same number of units sold during the period of the over- or under-charge, or it may
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall

GAS SERVICES DIVISION
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include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

2D-BayouV-OS-Com AC

TEXAS GAS SERVICE COMPANY Bayou Vista Service Area - Gulf Coast Region
 RATE SCHEDULE 2D COMMERCIAL AIR CONDITIONING SERVICE
 RATEAVAILABILITYService under this rate schedule is available to all commercial customers who have and regularly operate a gas-fired air conditioning system.TERRITORYAll of the Company's service area in the unincorporated areas of Bayou Vista, Texas.COST OF SERVICE RATEDuring each monthly billing period:A Customer Charge of \$5.00 plus - Apr. - Oct. Nov. - Mar.All Ccf per monthly billing period@ \$.0700 per Ccf \$.1384 per Ccf Cost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.CURTAILABILITYService under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Commercial customers using more than 15,000 Ccf in any month may be curtailed first in this class.OTHER CONDITIONS1. Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.2. Service under this schedule applies only to usage from a separately metered gas-fired air conditioning system. Non-air conditioning usage is subject to the cost of service rate on Schedule 2C.3. Air conditioning equipment must be inspected and verified as to capacity by qualified company personnel. Initial Rate June 29, 1988

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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TARIFF CODE: DS RRC TARIFF NO: 9338

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8900	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2D_Commercial A/C Sales_Galveston Svc Area - Environs of Bayou Vista, TX

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TARIFF CODE: DS RRC TARIFF NO: 9339

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/29/1988 ORIGINAL CONTRACT DATE: 06/29/1988 RECEIVED DATE: 04/07/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-GalvSvcA-OS-PGA		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area -
	Gulf Coast Region	
		RATE
	SCHEDULE 1	
		PURCHASED GAS ADJUSTMENT
	CLAUSE	
	A. APPLICABILITY	
	This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
	(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid	

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on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of

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revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

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SCHEDULE ID

DESCRIPTION

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source for the month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

3D-BayouV-OS-Ind AC

TEXAS GAS SERVICE COMPANY Bayou Vista Service Area - Gulf Coast Region
RATE SCHEDULE 3D INDUSTRIAL AIR CONDITIONING SERVICE RATEAVAILABILITYService under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Manual of the U.S. Government: Division B - Mining, All Major Groups Division D - Manufacturing, All Major Groupsand who has and regularly operates a gas fired air conditioning system.TERRITORYAll of the Company's service area in the unincorporated areas of Bayou Vista, Texas.COST OF SERVICE RATE During each monthly billing period:A Customer Charge of \$5.00 plus - Apr. - Oct. Nov. - Mar. All Ccf per monthly billing period @ \$.0700 per Ccf \$.1311 per CcfCost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.CURTAILABILITYService under this rate schedule may be curtailed to protect service to residential and commercial customers in

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RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
PSF-All-ISOS-PipeFee	<p>accordance with the Company's rules. Industrial customers using gas for firing boilers and for other uses of more than 15,000 Ccf in any month may be curtailed first in the class.OTHER CONDITIONS1. Subject to all laws and orders, and the Company's rules and regulations on file with the regulatory authority.2. Service under this schedule applies only to usage from a separately metered gas-fired air conditioning system. Non-air conditioning usage is subject to the cost of service rates on Schedule 3C.3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Meters Read On and After Initial Rate June 29, 1988</p> <p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and</p>

GAS SERVICES DIVISION
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(D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9339

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8900	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3D_Industrial A/C Sales_Galveston Svc Area - Environs of Bayou Vista, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9340

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/29/1988 ORIGINAL CONTRACT DATE: 06/29/1988 RECEIVED DATE: 04/07/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>	
1-GalvSvcA-OS-PGA		TEXAS GAS SERVICE
	COMPANY	
		Galveston Service Area -
	Gulf Coast Region	
		RATE
	SCHEDULE 1	
		PURCHASED GAS ADJUSTMENT
	CLAUSE	
	A. APPLICABILITY	
	This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.	
	B. DEFINITIONS	
	1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.	
	2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.	
	3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.	
	4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.	
	5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:	
	(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,	
	(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid	

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TARIFF CODE: DS RRC TARIFF NO: 9340

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on those revenues,
 (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and
 (d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
 (b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and
 (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9340

RATE SCHEDULESCHEDULE IDDESCRIPTION

revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

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The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source for the month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

4D-BayouV-OS-PubA AC

TEXAS GAS SERVICE COMPANY Bayou Vista Service Area - Gulf Coast Region
 RATE SCHEDULE 4D PUBLIC AUTHORITY AIR CONDITIONING SERVICE
 RATEAVAILABILITYApplicable to all public and parochial schools and colleges, and to all facilities operated by governmental agencies who have and regularly operate a gas fired air conditioning system. TERRITORYAll of the Company's service area within the unincorporated areas of Bayou Vista, Texas.COST OF SERVICE RATEDuring each monthly billing period:A Customer Charge of \$5.00 plus - Apr. - Oct. Nov. - Mar.All Ccf per monthly billing period @ \$.0700 per Ccf \$.1389 per CcfCost of Gas Component: In addition to the Cost of Service set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month.CURTAILABILITYService under this rate schedule may be curtailed to protect service to residential customers in accordance with the Company's rules. Public Authority customers using more than 15,000 Ccf in any month may be curtailed first in this class.OTHER CONDITIONS1. Subject to

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applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.2. Service under this schedule applies only to usage from a separately metered gas fired air conditioning system. Non-air conditioning usage is subject to the Cost of Service rates on Schedule 4C.3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Meters Read On and After Initial Rate June 29, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,

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GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9340

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DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9340

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8900	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8900	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 7076 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4D_Public Authority A/C Sales_Galveston Svc Area - Environs of Bayou Vista, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9341

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 09/16/1986 ORIGINAL CONTRACT DATE: 09/16/1986 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
C-1-GalSvA-ISOS-Cgen	<p>TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE C-1 ELECTRICAL COGENERATION AND ENERGY CONSERVATION SERVICE</p> <p>RATEAPPLICABILITY Service under this rate schedule is available to any customer who enters into a contract with the Company to use natural gas for the purpose of cogeneration. Cogeneration is defined as the use of thermal energy to produce electricity with recapture of by-product heat in the form of steam, exhaust heat, etc. for industrial process use, space heating, food processing or other purposes.TERRITORY This rate shall be available throughout the Company's Galveston Service Area.COST OF SERVICE RATEDuring each monthly billing period: Oct. - April May - Sept. Winter Summer A Customer Charge of \$100.00 per meter plus - For the first 5,000 Ccf/Month - \$.1139 \$.0854For the next 15,000 Ccf/Month - \$.1071 \$.0803For the next 30,000 Ccf/Month - \$.0968 \$.0726All Over 50,000 Ccf/Month - \$.0797 \$.0598COST OF GASIn addition to the cost of service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule No. 1 for unincorporated areas and Rate Schedule No. 1-INC for incorporated areas..CONDITIONS1. Gas taken under this rate shall be used exclusively for the purpose of cogeneration as defined in the Applicability section of this rate schedule and not for other purposes. The gas taken under this rate will be separately metered.2. This rate will not be available for standby use. 3. For the purpose of this rate, the annual load factor must be 60 percent or greater. The annual load factor is defined as the customer's total annual consumption divided by the customer's peak month consumption times twelve. If less than a 60 percent load factor occurs for a twelve month period, the rate charged will revert back to the rate that the customer would have otherwise been served under. A continuous twelve month period of 60 percent or better load factor must precede a return to the cogeneration rate.4. To qualify for the summer discounts, the customer's peak summer month's load must be at least 75% of the customer's peak winter month's load. Failure to meet this requirement will result in an adjustment to the customer's October bill equal to the difference between the winter and summer rates times that years total May through September consumption by that customer.5. The curtailment priority of any customer served under this rate schedule shall be the same as the curtailment priority which would pertain if gas were used directly to provide energy for uses as defined and listed in paragraph 14.2 of the Company's Texas Rules of Service.6. Subject in all respects to applicable laws, rules and regulations from time to time in effect. September 16, 1986</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas

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master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-GalvSvcA-OS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area -

Gulf Coast Region

RATE

SCHEDULE 1

PURCHASED GAS ADJUSTMENT

CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9341

RATE SCHEDULESCHEDULE IDDESCRIPTION

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

- (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,
- (b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid on those revenues,
- (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and
- (d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

- (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
- (b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

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(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the

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effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

- (1) over the same period of time as the over- or under-charge occurred,
- (2) over the same number of units sold during the period of the over- or under-charge, or it may
- (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

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SCHEDULE ID

DESCRIPTION

February 16, 1992

August 24, 2001

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including

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franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the

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contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are

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applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

(a) the Cost of Purchased Gas;

(b) that cost multiplied by the Purchase/Sales Ratio;

(c) the amount of the cost of gas caused by any surcharge or refund;

(d) the Reconciliation Component;

(e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and

(f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.

2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.

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3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)

Supersedes Rate Sch. 1 Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

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>
8899	N	Ccf	\$.4972	03/31/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4972	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5040	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8902	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4654	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4717	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4654	04/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8902	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4915	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4981	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4915	06/01/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			

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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>
8902	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5263	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8902	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5018	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8902	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4161	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			

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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>
8901	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8902	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	C-1_Electric Cogeneration & Energy Conservation Sales_Galveston Svc Area - Environs and Incorp. Galveston, Bayou Vista and Jamaica Beach, TX

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 08/01/1989 ORIGINAL CONTRACT DATE: 08/01/1989 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
CNG-1-GalvSvA-ISOS	<p>TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE CNG-1 COMPRESSED NATURAL GAS SERVICE RATEAPPLICABILITY Service under this rate schedule is available to any customer for usage where customer purchases natural gas which will be compressed and used as a motor fuel. Service will be separately metered.TERRITORY All areas served by the Company in its Galveston, Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period:A Customer Charge of \$10.00 plus - All Ccf per monthly billing period @ \$.0850 per CcfCOST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule No. 1 for unincorporated areas and Rate Schedule No. 1-INC for incorporated areas.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.3. The Company's Budget Billing Plan is not available to customers taking this service. Initial Rate August 1, 1989</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the</p>

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9342

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

1-GalvSvcA-OS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area -

Gulf Coast Region

RATE

SCHEDULE 1

PURCHASED GAS ADJUSTMENT

CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

- (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,
- (b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees and taxes paid on those revenues,
- (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases

GAS SERVICES DIVISION

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or operation of this purchased gas adjustment clause, and
(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,
(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and
(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9342

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,
 (2) over the same number of units sold during the period of the over- or under-charge, or it may
 (3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9342

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

Supersedes Same Sheet Dated

Meters Read On and After

February 16, 1992

August 24, 2001

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for

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GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9342

RATE SCHEDULESCHEDULE IDDESCRIPTION

volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

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

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

G. COST OF GAS STATEMENT

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9342

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
 Supersedes Rate Sch. 1 Same Sheet Dated
 Meters Read On and After
 February 16, 1992

August 24, 2001

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9342

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8899	N	Ccf	\$.4972	03/31/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8902	N	Ccf	\$.4754	03/31/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4972	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5040	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4654	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4717	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4654	04/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8902	N	Ccf	\$.4451	04/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4915	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4981	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4915	06/01/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9342

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8902	N	Ccf	\$.4700	06/01/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5263	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8902	N	Ccf	\$.4965	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5018	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			
8901	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8902	N	Ccf	\$.4734	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4161	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8900	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - ENV (GALVESTON SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9342

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8901	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - ENV (GALVESTON SVC AREA)			
8902	N	Ccf	\$.3926	08/28/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - ENV (GALVESTON SVC AREA)			

REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	CNG-1_Compressed Natural Gas Sales_Galveston Svc Area - Environs and Incorp. Galveston, Bayou Vista and Jamaica Beach, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9343

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 08/01/1992 ORIGINAL CONTRACT DATE: 08/01/1992 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

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shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

1-INC-GalvSvA-IS-PGA

TEXAS GAS SERVICE

COMPANY

Galveston Service Area

- Gulf Coast Region

RATE

SCHEDULE 1-INC

PURCHASED GAS

ADJUSTMENT CLAUSE

GAS SERVICES DIVISION

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A. APPLICABILITY

This purchased gas adjustment clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Galveston Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this purchased gas adjustment clause, consisting of the commodity cost, a reconciliation component and related fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June determined by the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over- or under-collection occurring during such twelve month period. The audit shall determine:

(a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period,

(b) the revenues received from operation of the provisions of this purchased gas adjustment clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues,

(c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this purchased gas adjustment clause, and

(d) an adjustment, if necessary, for lost and unaccounted-for gas during the period which exceeds five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes metered into the Company's Galveston area system for sales and transportation customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and delivered to transportation customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extraction, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. All transportation customers shall pay for lost and

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unaccounted-for gas based on the difference between measured volumes and volumes multiplied by the purchase/sales ratio computed for the Galveston area distribution system in the previous reconciliation audit. Credit for lost and unaccounted for volumes invoiced to transportation customers for payment in kind shall reduce the volumes purchased for system supply. For the purpose of this computation, all volumes shall be stated at 14.95 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that, over time, it will neither over- nor under-collect revenues as a result of the operation of the purchased gas adjustment clause. Entries shall be made monthly to reflect,

(a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records,

(b) the revenues produced by the operation of this purchased gas adjustment clause including credit for lost and unaccounted-for gas revenues as invoiced to transportation customers for payment at system weighted average cost of gas, and

(c) refunds, payments, or charges provided for herein or as approved by the regulatory authority.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. The cost of gas shall be adjusted monthly considering all items listed in paragraph G of this tariff so as to minimize the balance in the reconciliation account on an annual basis. Notwithstanding anything herein to the contrary, in addition to the Cost of Gas, the Company shall bill each general service customer in the incorporated areas of Galveston and Bayou Vista only, a surcharge of \$0.06 per Ccf during the billing period in accordance with the Settlement Agreement and Release dated February 15, 2001 by and among the Company and the Cities represented in the Class Action Lawsuit known as Cause No. C-4558-95-G-2 (Settlement Agreement). The Surcharge shall be effective only until the Settlement payments allocated to each of the incorporated areas of Galveston and Bayou Vista, in accordance with the Settlement Agreement, are collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period

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

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's suppliers are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. If the payment or refund is related to gas purchased by the Company for a period of twelve (12) consecutive months or longer, the total amount recovered or refunded shall be divided by the general service sales, adjusted for known changes including the effects of weather, growth, and conservation, made to general service customers during the applicable period. With regard to amounts received or paid that are applicable to a period less than twelve (12) consecutive months, the Company may, at its option, refund or collect such amounts

(1) over the same period of time as the over- or under-charge occurred,

(2) over the same number of units sold during the period of the over- or under-charge, or it may

(3) include the entire amount in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

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G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth

- (a) the Cost of Purchased Gas;
- (b) that cost multiplied by the Purchase/Sales Ratio;
- (c) the amount of the cost of gas caused by any surcharge or refund;
- (d) the Reconciliation Component;
- (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and
- (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily limited to:

1. A tabulation of volumes of gas metered into the system for sale or transportation and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and transportation volumes delivered and related purchased gas adjustment clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the purchased gas adjustment clause for the year to date. This report shall be filed on or before October 1 of each year.

(For Incorporated only)
Supersedes Rate Sch. 1 Same Sheet Dated
Meters Read On and After
February 16, 1992

August 24, 2001

EDS-GalvSvA-IS-EcDev TEXAS GAS SERVICE COMPANY Galveston Service Area - Gulf Coast Region RATE SCHEDULE EDS ECONOMIC DEVELOPMENT SERVICE APPLICABILITY Service under this rate schedule is available to customers whose gas service represents new load not previously serviced by the Company at any location in the Galveston Service Area which is accessible from the Company's integrated distribution system. In addition, in order to qualify for this rate schedule, a customer's average monthly

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usage must be at least 3,000 Ccf.TERRITORYAll of the Company's service area within the incorporated areas of Galveston, Jamaica Beach and Bayou Vista, Texas.COST OF SERVICE RATEDuring each monthly billing period:A customer charge according to the otherwise applicable rate schedule plus a charge for usage as follows:First year of service 80% of the Ccf charge for the otherwise applicable rate schedule.Second year of service 85% of the Ccf charge for the otherwise applicable rate schedule.Third year of service 90% of the Ccf charge for the otherwise applicable rate schedule.Cost of Gas Component: In addition to the Cost of Service charge set forth above, each customer's bill shall include an amount equal to the Cost of Gas for the billing month as determined in accordance with Rate Schedule No. 1 multiplied by the total Ccf consumed during the billing month. OTHER CONDITIONSEconomic Development Service shall be made available during periods when the Company forecasts available capacity. Applicability of this tariff shall be at the sole discretion of the Company.Under no circumstances may Rate Schedule EDS be used to reduce the current amount of other service currently billed to a customer in the Galveston Service Area.Gas provided in accordance with this Rate Schedule cannot be resold to or shared with others This rate is not available for temporary service.This rate schedule shall apply to customers who initiate service by December 31, 1994.In the Company's general rate case(s) during the effective period of this rate schedule, revenues from customers serviced under this rate schedule shall be computed as if they received service under the otherwise applicable rate schedules. Half of the difference between the adjusted and actual revenues from these customers shall be amortized over a three year period and included in the Company's cost of service. August 1, 1992

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>
8899	N	Ccf	\$.4972	03/31/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4972	03/31/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5040	03/31/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4654	04/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4717	04/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4654	04/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4915	06/01/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4981	06/01/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4915	06/01/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5263	06/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.5193	06/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.5018	07/30/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			
8899	N	Ccf	\$.4951	07/30/2009
<u>CUSTOMER NAME</u>	JAMAICA BEACH - INC (GALVESTON SVC AREA)			
8897	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u>	BAYOU VISTA - INC (GALVESTON SVC AREA)			
8898	N	Ccf	\$.4161	08/28/2009
<u>CUSTOMER NAME</u>	GALVESTON - INC (GALVESTON SVC AREA)			

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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>
8899	N	Ccf	\$.4106	08/28/2009
<u>CUSTOMER NAME</u> JAMAICA BEACH - INC (GALVESTON SVC AREA)				

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: 92-61

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	EDS_Economic Development Sales_Galveston Svc Area - Incorpor. Galveston, Bayou Vista and Jamaica Beach, TX

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9458

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/30/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION																								
1C-CTX-IS-CAC Adj	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 1C CONSERVATION ADJUSTMENT CLAUSE RATE A. APPLICABILITY The Conservation Adjustment Clause (CAC) rate, calculated pursuant to Rate Schedule CAC, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT CAC RATE</p> <table border="1"> <tr> <td>Rate</td> <td>*Conservation</td> <td>Schedule</td> <td>Customer Class</td> <td>Rate</td> <td>10</td> </tr> <tr> <td>Residential Service</td> <td>\$.0205</td> <td>20</td> <td>Commercial</td> <td>\$.0052</td> <td>22 Large Volume</td> </tr> <tr> <td>Commercial</td> <td>\$.0254</td> <td>30</td> <td>Industrial</td> <td>\$.0122</td> <td>32 Large Volume Industrial</td> </tr> <tr> <td></td> <td>.0000</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <p>*The Conservation Rate will change annually pursuant to Rate Schedule CAC. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated January 2 , 2007 (Austin & Sunset Valley)</p>	Rate	*Conservation	Schedule	Customer Class	Rate	10	Residential Service	\$.0205	20	Commercial	\$.0052	22 Large Volume	Commercial	\$.0254	30	Industrial	\$.0122	32 Large Volume Industrial		.0000				
Rate	*Conservation	Schedule	Customer Class	Rate	10																				
Residential Service	\$.0205	20	Commercial	\$.0052	22 Large Volume																				
Commercial	\$.0254	30	Industrial	\$.0122	32 Large Volume Industrial																				
	.0000																								
CAC-CTX-IS-Conser	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CAC CONSERVATION ADJUSTMENT CLAUSE A. APPLICABILITY The Conservation Adjustment Clause (CAC) shall apply to all rate schedules of Texas Gas Service Company (Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. The CAC rate shall be adjusted annually and applied to subsequent usage for each customer class. B. COMPUTATION OF CAC RATE The CAC rate for a given year will be separately calculated for each individual customer class according to the following: CAC Rate = (BCD + PYUC) or (BCD - PYOC)</p> <p>NV BCD = Budgeted conservation dollars for each individual rate class during the upcoming fiscal year. These dollars will be submitted for the City of Austin's approval 30 days prior to the beginning of the upcoming fiscal year. If no action is taken by the City of Austin within 30 days, the budget will automatically be approved. PYUC = Accumulated under collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. PYOC = Accumulated over collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. NV = Actual volumes from the prior fiscal year (normalized for weather and growth/attrition) listed in Ccf for each rate class. C. FILING WITH THE CITY OF AUSTIN The following documents will be filed with the City of Austin: a) A schedule indicating the new CAC rates for each of the effected rate classes, to be filed within 30 days of implementation. b) An annual report of the prior fiscal year collections and disbursements, to be filed within 90 days of the prior fiscal year end. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated September 24, 2002 (Austin) December 23, 2002 (Sunset Valley)</p>																								
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline</p>																								

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9458

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9458

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCR-CTX-IS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR
RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas: 10, 20, 22, 30, 32, 40, 42, 48, CNG-1 and T-1. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPCR + PPRC NV CPCR = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for the rate schedules listed in Section A above. E. FILING WITH THE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9458

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REGULATORY AUTHORITY No less than thirty-five days before implementation of an RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated November 30, 2005 and replaces Rate Sch RCR dated 12/29/03 (Kyle)

RCR-Rider-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-RIDER
 RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to Rate Schedule RCR, shall apply to the rate schedules as listed in Section A of Rate Schedule RCR for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read On and After December 02, 2008 (9th RCR Filing) \$ 0.0093 per Ccf (Note 1)
 Total RCR Rate \$ 0.0093 per Ccf All applicable fees and taxes will be added to the above rate. Note 1: The 9th filing RCR rate is applicable to Austin, Cedar Park, Rollingwood, Sunset Valley and West Lake Hills only. Future Central Texas Service Area RCR rate filings will be filed with all the cities listed in Section A above. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated December 02, 2008 and replaces Rate Sch RCR-Rider dated 12/29/03 (Kyle)

WNA-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE WNA
 WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of the Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills: 10, 20, 22, 40, 42, and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula: $WNA\ Rate = WNAD$, where
 CV $WNAD =$ Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following

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formula: $WNAD = (HDD\ Diff * CB * WF) * COS\ rate$, where HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period. CB = Number of customers billed for the billing period. WF = Weather factor determined for each rate schedule in the most recent rate case. CV = Current Volumes for the billing period. D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) This Rate Schedule Replaces Weather Normalization Clause: WNC dated 7/1/93 (for CTX - excluding Cedar Park)

1-INC-CTX-IS-COG

TEXAS GAS SERVICE COMPANY
RATE SCHEDULE NO. 1-INC
Central Texas Service Area
COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, Uncollectible Cost of Gas, and the revenue associated fees (including franchise fees) and taxes.
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus an adjustment for any known and quantifiable under or over collection prior to the end of the reconciliation period.
3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing including penalties, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. Companies affiliated with the Company shall not be allowed to charge fees for transactions related to natural gas financial instruments utilized for purposes in this Cost of Gas Clause and hence can not realize a profit in this regard. The Cost of Purchased Gas may also include costs related to the purchase and transportation of Renewable Natural Gas (RNG).
4. Reconciliation Component - The amount to be returned to or recovered from

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customers each month from October through June as a result of the Reconciliation Audit.

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

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s), (e) total amount of Uncollectible Cost of Gas during the period, and (f) total amount of Pipeline Integrity costs during the period.

8. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas.

9. Pipeline Integrity Costs - the costs incurred in order to comply with the Texas Railroad Commission's Pipeline Integrity Assessment and Management Plan rule, 16 Tex. Admin. Code Section 8.101 and any other future Railroad Commission rules related to integrity management plans.

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

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D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. The Company shall also be allowed to recover a carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the authorized rate of return.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including the gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers

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and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the hedging activities conducted each month during the twelve months ending June 30, including the types of transaction used, resulting gains and losses, any changes in the hedging program implemented during the period and the rationale for the changes. The report should include the customer impact of hedging activities stated as costs to the average residential and commercial customer during the period. 5. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 6. A description of uncollectible cost of gas during the period and its effect on the Cost of Gas Clause to date. 7. A description of pipeline integrity costs during the period and its effect on the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park)

This Rate Schedule Replaces Cost of Gas Clause:

- 1-INC dated 9/8/08 (Austin),
- 1-INC dated 6/2/08 (Sunset Valley, Rollingwood, West Lake Hills and Cedar Park) and
- 1-INC dated 12/29/03 (Kyle)

10-CTX-IS-Res

TEXAS GAS SERVICE COMPANY
 Central Texas Service Area
 RATE SCHEDULE 10
 RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes. A residential consumer includes an individually-metered residential unit or dwelling that is operated by a public housing agency acting as an administrator of public housing programs under the direction of the U.S. Department of Housing and Urban Development. This rate is only available to full requirements customers of Texas Gas Service Company.

TERRITORY

All incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A customer charge per meter per month of \$9.75 plus
 All Ccf per monthly billing period @ \$.08257 per Ccf.

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9458

RATE SCHEDULESCHEDULE IDDESCRIPTION

OTHER ADJUSTMENTS

In addition to the Cost of Service charges set forth above, each customer's bill shall include the following:

1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC.
2. Adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.
3. Adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule CAC, if applicable.
4. Adjustments in accordance with the provisions of the Relocation Cost Recovery Rate Schedule RCR, if applicable.
5. All applicable taxes and fees (including franchise fees).

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Residential service shall have priority in supply.

Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park)

This Rate Schedule replaces Residential Rate Schedules:

- 10 dated 7/1/93(Austin & Sunset Valley),
- 14 dated 10/30/08 (West Lake Hills),
- 15 dated 7/1/93 (Cedar Park),
- 16 dated 7/1/93 (Rollingwood), and
- 10 dated 12/29/03(Kyle)

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9458

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8844	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9458

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8848	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			

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GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9458

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: 20071101-034 &see 'ORD-CTX-IS'

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per 2/11/09 filing, Cities appvd.new rates & QSR are 'Central TX Service Area' instead of separate cities; rates billed eff. 6/30/09 &7/17/09(C. Park)

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	10_Residential Sales_Central Tx Svc Area - Incorporated areas

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9459

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/30/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-INC-CTX-IS-COG	TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Central Texas Service Area COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, Uncollectible Cost of Gas, and the revenue associated fees (including franchise fees) and taxes.
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus an adjustment for any known and quantifiable under or over collection prior to the end of the reconciliation period.
3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing including penalties, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. Companies affiliated with the Company shall not be allowed to charge fees for transactions related to natural gas financial instruments utilized for purposes in this Cost of Gas Clause and hence can not realize a profit in this regard. The Cost of Purchased Gas may also include costs related to the purchase and transportation of Renewable Natural Gas (RNG).
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company

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(per Section B (3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of Pipeline Integrity costs during the period and (g) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s), (e) total amount of Uncollectible Cost of Gas during the period, and (f) total amount of Pipeline Integrity costs during the period.

8. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas.

9. Pipeline Integrity Costs - the costs incurred in order to comply with the Texas Railroad Commission's Pipeline Integrity Assessment and Management Plan rule, 16 Tex. Admin. Code Section 8.101 and any other future Railroad Commission rules related to integrity management plans.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding

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the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. The Company shall also be allowed to recover a carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the authorized rate of return.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including the gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the hedging activities conducted each month during the twelve months ending June 30, including the types of transaction used, resulting gains and losses, any changes in the hedging program implemented during the period and the rationale for the changes. The report should include the customer impact of

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hedging activities stated as costs to the average residential and commercial customer during the period. 5. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 6. A description of uncollectible cost of gas during the period and its effect on the Cost of Gas Clause to date. 7. A description of pipeline integrity costs during the period and its effect on the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park)

This Rate Schedule Replaces Cost of Gas Clause:

- 1-INC dated 9/8/08 (Austin),
- 1-INC dated 6/2/08 (Sunset Valley, Rollingwood, West Lake Hills and Cedar Park) and
- 1-INC dated 12/29/03 (Kyle)

1C-CTX-IS-CAC Adj

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 1C
CONSERVATION ADJUSTMENT CLAUSE RATE A. APPLICABILITY The Conservation Adjustment Clause (CAC) rate, calculated pursuant to Rate Schedule CAC, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT CAC RATE

Rate	*Conservation	Schedule	Customer Class	Rate	10
Residential Service	\$.0205	20	Commercial	\$.0052	22 Large Volume
Commercial	\$.0254	30	Industrial	\$.0122	32 Large Volume Industrial

.0000 *The Conservation Rate will change annually pursuant to Rate Schedule CAC. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated January 2, 2007 (Austin & Sunset Valley)

20-CTX-IS-Com

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 20
COMMERCIAL SERVICE RATE APPLICABILITY Applicable to any qualifying commercial customer whose annual average consumption is less than 3,100 Ccf per monthly billing period and to any customer not otherwise specifically provided for under any other rate schedule. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY All incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. COST OF SERVICE RATE

During each monthly billing period: A customer charge per meter per month of \$12.75 plus All Ccf per monthly billing period @ \$.13010 per Ccf.

OTHER ADJUSTMENTS In addition to the Cost of Service charges set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC. 2. Adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. 3. Adjustments in

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accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule CAC, if applicable. 4. Adjustments in accordance with the provisions of the Relocation Cost Recovery Rate Schedule RCR, if applicable. 5. All applicable taxes and fees (including franchise fees). CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served. Meters Read On and After June 30, 2009 (Other Cities) June 30, 2009 (Other Cities) This Rate Schedule replaces Commercial Rate Schedules: 20 dated 7/1/93 (Austin & Sunset Valley), 24 dated 10/30/08 (West Lake Hills), 25 dated 7/1/93 (Cedar Park), 26 dated June 30, 2009 (Other Cities) 7/1/93 (Rollingwood), and 20 dated 12/29/03 (Kyle)

CAC-CTX-IS-Conser

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CAC CONSERVATION ADJUSTMENT CLAUSE A. APPLICABILITY The Conservation Adjustment Clause (CAC) shall apply to all rate schedules of Texas Gas Service Company (Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. The CAC rate shall be adjusted annually and applied to subsequent usage for each customer class. B. COMPUTATION OF CAC RATE The CAC rate for a given year will be separately calculated for each individual customer class according to the following: CAC Rate = (BCD + PYUC) or (BCD - PYOC)
 NV BCD = Budgeted conservation dollars for each individual rate class during the upcoming fiscal year. These dollars will be submitted for the City of Austin's approval 30 days prior to the beginning of the upcoming fiscal year. If no action is taken by the City of Austin within 30 days, the budget will automatically be approved. PYUC = Accumulated under collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. PYOC = Accumulated over collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. NV = Actual volumes from the prior fiscal year (normalized for weather and growth/attrition) listed in Ccf for each rate class. C. FILING WITH THE CITY OF AUSTIN The following documents will be filed with the City of Austin: a) A schedule indicating the new CAC rates for each of the effected rate classes, to be filed within 30 days of implementation. b) An annual report of the prior fiscal year collections and disbursements, to be filed within 90 days of the prior fiscal year end. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated September 24, 2002 (Austin) December 23, 2002 (Sunset Valley)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the

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amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee

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on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009

RCR-CTX-IS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas: 10, 20, 22, 30, 32, 40, 42, 48, CNG-1 and T-1. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: $RCR\ Rate = CPRC + PPRC \cdot NV$ CPRC = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for the rate schedules listed in Section A above. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of an RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be

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implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated November 30, 2005 and replaces Rate Sch RCR dated 12/29/03 (Kyle)

RCR-Rider-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to Rate Schedule RCR, shall apply to the rate schedules as listed in Section A of Rate Schedule RCR for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read On and After December 02, 2008 (9th RCR Filing) \$ 0.0093 per Ccf (Note 1)
Total RCR Rate \$ 0.0093 per Ccf All applicable fees and taxes will be added to the above rate. Note 1: The 9th filing RCR rate is applicable to Austin, Cedar Park, Rollingwood, Sunset Valley and West Lake Hills only. Future Central Texas Service Area RCR rate filings will be filed with all the cities listed in Section A above. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated December 02, 2008 and replaces Rate Sch RCR-Rider dated 12/29/03 (Kyle)

WNA-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of the Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills: 10, 20, 22, 40, 42, and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula: $WNA\ Rate = WNAD,$ where
 $CV\ WNAD =$ Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: $WNAD = (HDD\ Diff * CB * WF) * COS\ rate,$ where $HDD\ Diff = (Normal\ HDD - Actual\ HDD),$ the difference between normal and actual heating degree days for the billing period. $CB =$ Number of customers billed for the billing period. $WF =$ Weather factor determined for each rate schedule in the most recent rate case. $CV =$ Current Volumes for the billing period. D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the

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RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) This Rate Schedule Replaces Weather Normalization Clause: WNC dated 7/1/93 (for CTX - excluding Cedar Park)

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>
11210	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			

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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>
8848	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9459

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: 20071101-034 &see 'ORD-CTX-IS'

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per 2/11/09 filing, Cities appvd.new rates & QSR are 'Central TX Service Area' instead of separate cities; rates billed eff. 6/30/09 &7/17/09(C. Park)

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	20_Commercial Sales_Central Tx Svc Area - Incorporated areas

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9470

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9470

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9470

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC NV CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPub AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPub AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9470

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096
per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated
September 17, 2008

Meters Read On and After
December 02, 2008

1-CTX-OS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9470

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9470

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

1D-WLake-OS-Res

TEXAS GAS

SERVICE COMPANY

Central

Texas Service Area

RATE SCHEDULE 1D
RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.

TERRITORY

All customers in the unincorporated area of West Lake Hills, Texas in the Central Texas Service Area.

COST OF SERVICE RATE

During each monthly billing period: A customer charge per meter per month of \$7.75 plus All Ccf per monthly billing period @ \$.1467 per Ccf.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9470

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	<p>OTHER APPLICABLE SCHEDULES</p> <p>In addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule</p> <p>1.CONDITIONS</p> <p>1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.</p> <p>2. Residential service shall have priority in supply.</p> <p>Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993</p>

RATE ADJUSTMENT PROVISIONS

None

CUSTOMERS

RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9470

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 1D_Residential Sales_Central Tx Svc Area - Environs of West Lake Hills, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9471

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9471

RATE SCHEDULESCHEDULE IDDESCRIPTION

authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

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balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

2D-WLake-OS-Com

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 2D COMMERCIAL SERVICE RATEAPPLICABILITYApplicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule.TERRITORYAll customers in the unincorporated area of West Lake Hills, Texas in the Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$11.75 plus All Ccf per monthly billing period @ \$.1483 per Ccf.COST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

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(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last

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billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC / NV CPCR = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR

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TARIFF CODE: DS RRC TARIFF NO: 9471

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DESCRIPTION

collections. Supersedes Same Rate Sheet Dated Meters Read On and After
January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 9471

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2D_Commercial Sales_Central Tx Svc Area - Environs of West Lake Hills, TX

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9472

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

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authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

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balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

4D-WLake-OS-PubA

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 4D PUBLIC AUTHORITY SERVICE RATEAPPLICABILITYApplicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts.TERRITORYAll customers in the unincorporated area of West Lake Hills, Texas in the Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$15.00 plus All Ccf per monthly billing period @ \$.1399 per Ccf.COST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121,

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excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the

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Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: $RCR\ Rate = \frac{CPRC}{NV} \times CPRC$ NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the

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entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

RATE ADJUSTMENT PROVISIONS

None

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9472

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4D_Public Authority Sales_Central Tx Svc Area - Environs of West Lake Hills, TX

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TARIFF CODE: DS RRC TARIFF NO: 9473

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION

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shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 9473

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(Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC NV CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
 Central Texas Service Area
 RATE SCHEDULE RCR-ENV-RIDER
 RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPub AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPub AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9473

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096
per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated
September 17, 2008

Meters Read On and After
December 02, 2008

1-CTX-OS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2.

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A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

1Z-Aus SunV-OS-Res

TEXAS GAS SERVICE

COMPANY

Central Texas

Service Area

RATE SCHEDULE 1Z

RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.

TERRITORY

All customers in the unincorporated areas of Austin, Texas and Sunset Valley, Texas in the Central Texas Service Area.

COST OF SERVICE RATE

During each monthly billing period:

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RATE SCHEDULESCHEDULE IDDESCRIPTION

A customer charge per meter per month of \$7.75 plus All Ccf per monthly
 billing period @ \$.1579 per Ccf.

COST OF GAS

In addition to the Cost of Service set forth above, each customer's bill shall
 include the Cost of Gas for the billing month determined in accordance with the
 provisions of the Cost of Gas Clause, Rate Schedule 1.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to
 time in effect.

2. Residential service shall have priority in supply.

Supersedes Same Sheet Dated

Gas Sold On and After November 27, 1991

November 22, 1993

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>
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			

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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>
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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TARIFF CODE: DS RRC TARIFF NO: 9473

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1Z_Residential Sales_Central Tx Svc Area - Environs of Austin and Sunset Valley, TX

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9474

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9474

RATE SCHEDULESCHEDULE IDDESCRIPTION

authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

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RATE SCHEDULE

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DESCRIPTION

balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

2A-AusSunV-OS-SmCmAC

TEXAS GAS

SERVICE COMPANY

Central

Texas Service Area

RATE

SCHEDULE 2A

SMALL VOLUME

COMMERCIAL

AIR

CONDITIONING SERVICE RATE

APPLICABILITY

This rate is applicable to commercial customers whose non-air conditioning consumption averages less than 3,100 Ccf per month and who has and regularly operates a gas fired air conditioning system.

TERRITORY

All customers in the unincorporated areas of Austin, Texas and Sunset Valley, Texas in the Central Texas Service Area.

COST OF SERVICE RATE

During each monthly billing period:

June-Oct.

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TARIFF CODE: DS RRC TARIFF NO: 9474

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Nov.-May

A customer charge per meter per month of \$11.75 plus \$11.75 plus

First 250 Ccf \$.1595 per Ccf \$.1595 per Ccf

All Over 250 Ccf \$.1131 per Ccf \$.1595 per Ccf

COST OF GAS

In addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.
3. Air Conditioning equipment must be inspected and verified as to capacity by qualified Company personnel.

Supersedes Same Sheet Dated

Gas Sold On and After November 27, 1991

November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,

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due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of

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the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC NV CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

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A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

1D-WLake-OS-Res	4Z-CTXnoWLak-OS-PubA
1E-CPark-OS-Res	CNG-1-CTX-ISOS
1Z-Aus SunV-OS-Res	C-1-CTX-ISOS-Cogen
2A-AusSunV-OS-SmCmAC	T02A-CTX-OS-SmCom AC
2B-CTX-OS-LgCom	T02B-CTX-OS-LgCom
2C-CTX-OS-LgCom AC	T02C-CTX-OS-LgCom AC
2D-WLake-OS-Com	T02Z-CTX-OS-Com
2E-CPark-OS-Com	T03A-CTX-OS-SmInd AC
2Z-Aus SunV-OS-Com	T03B-CTX-OS-LgInd
3A-CTX-OS-SmInd AC	T03C-CTX-OS-LgInd AC
3B-CTX-OS-LgInd	T03Z-CTX-OS-Ind
3C-CTX-OS-LgInd AC	T04A-CTX-OS-SmPub AC
3Z-CTX-OS-Ind	T04B-CTX-OS-LgPubA
4A-CTX-OS-SmPubA AC	T04C-CTX-OS-LgPub AC
4B-CTX-OS-LgPubA	T04H-CTX-OS-PSSpHt
4C-CTX-OS-LgPubA AC	T04Z-CTX-OS-PubA
4D-WLake-OS-PubA	T0C-1-CTX-OS-Cogen
4H-CTX-OS-PubSchSpHt	CNGT-CTX-OS-CNG

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096
per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated
September 17, 2008

Meters Read On and After
December 02, 2008

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 9474

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			

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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>
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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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>
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2A_Sm Vol Commercial A/C Sales_Central Tx Svc Area - Environs of Austin and Sunset Valley, TX

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9475

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

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authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

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GSD - 1 TARIFF REPORT

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balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

2Z-Aus SunV-OS-Com

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 2Z COMMERCIAL SERVICE RATEAPPLICABILITYApplicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule.TERRITORYAll customers in the unincorporated areas of Austin, Texas and Sunset Valley, Texas in the Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$11.75 plus All Ccf per monthly billing period @ \$.1595 per Ccf.COST OF GAS In addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

GAS SERVICES DIVISION
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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last

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billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = $\frac{CPRC}{NV}$ CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR

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RATE SCHEDULE

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DESCRIPTION

collections. Supersedes Same Rate Sheet Dated Meters Read On and After
January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

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>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			

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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>
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9475

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2Z_Commercial Sales_Central Tx Svc Area - Environs of Austin and Sunset Valley, TX

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9476

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/30/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-INC-CTX-IS-COG	TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, Uncollectible Cost of Gas, and the revenue associated fees (including franchise fees) and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus an adjustment for any known and quantifiable under or over collection prior to the end of the reconciliation period. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing including penalties, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. Companies affiliated with the Company shall not be allowed to charge fees for transactions related to natural gas financial instruments utilized for purposes in this Cost of Gas Clause and hence can not realize a profit in this regard. The Cost of Purchased Gas may also include costs related to the purchase and transportation of Renewable Natural Gas (RNG). 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company

GAS SERVICES DIVISION

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RATE SCHEDULE

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(per Section B (3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of Pipeline Integrity costs during the period and (g) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s), (e) total amount of Uncollectible Cost of Gas during the period, and (f) total amount of Pipeline Integrity costs during the period.

8. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas.

9. Pipeline Integrity Costs - the costs incurred in order to comply with the Texas Railroad Commission's Pipeline Integrity Assessment and Management Plan rule, 16 Tex. Admin. Code Section 8.101 and any other future Railroad Commission rules related to integrity management plans.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULESCHEDULE IDDESCRIPTION

the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. The Company shall also be allowed to recover a carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the authorized rate of return.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including the gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the hedging activities conducted each month during the twelve months ending June 30, including the types of transaction used, resulting gains and losses, any changes in the hedging program implemented during the period and the rationale for the changes. The report should include the customer impact of

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hedging activities stated as costs to the average residential and commercial customer during the period. 5. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 6. A description of uncollectible cost of gas during the period and its effect on the Cost of Gas Clause to date. 7. A description of pipeline integrity costs during the period and its effect on the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park)

This Rate Schedule Replaces Cost of Gas Clause:

- 1-INC dated 9/8/08 (Austin),
- 1-INC dated 6/2/08 (Sunset Valley, Rollingwood, West Lake Hills and Cedar Park) and
- 1-INC dated 12/29/03 (Kyle)

1C-CTX-IS-CAC Adj

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 1C
 CONSERVATION ADJUSTMENT CLAUSE RATE A. APPLICABILITY The Conservation Adjustment Clause (CAC) rate, calculated pursuant to Rate Schedule CAC, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT CAC RATE

Rate	*Conservation	Schedule	Customer Class	Rate	10
Residential Service	\$.0205	20	Commercial	\$.0052	22 Large Volume
Commercial	\$.0254	30	Industrial	\$.0122	32 Large Volume Industrial
	.0000				

*The Conservation Rate will change annually pursuant to Rate Schedule CAC. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated January 2, 2007 (Austin & Sunset Valley)

22-CTX-IS-LgCom

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 22
 LARGE VOLUME COMMERCIAL SERVICE RATE APPLICABILITY Applicable to any qualifying commercial customer whose annual average consumption exceeds 3,100 Ccf per monthly billing period. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY All incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$80.00 plus All Ccf per monthly billing period @ \$.10898 per Ccf
 OTHER ADJUSTMENTS In addition to the Cost of Service charges set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC. 2. Adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. 3. Adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule

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CAC, if applicable. 4. Adjustments in accordance with the provisions of the Relocation Cost Recovery Rate Schedule RCR, if applicable. 5. All applicable taxes and fees (including franchise fees). CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated July 1, 1993

CAC-CTX-IS-Conser

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CAC CONSERVATION ADJUSTMENT CLAUSE A. APPLICABILITY The Conservation Adjustment Clause (CAC) shall apply to all rate schedules of Texas Gas Service Company (Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. The CAC rate shall be adjusted annually and applied to subsequent usage for each customer class. B. COMPUTATION OF CAC RATE The CAC rate for a given year will be separately calculated for each individual customer class according to the following: CAC Rate = (BCD + PYUC) or (BCD - PYOC)
 NV BCD = Budgeted conservation dollars for each individual rate class during the upcoming fiscal year. These dollars will be submitted for the City of Austin's approval 30 days prior to the beginning of the upcoming fiscal year. If no action is taken by the City of Austin within 30 days, the budget will automatically be approved. PYUC = Accumulated under collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. PYOC = Accumulated over collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. NV = Actual volumes from the prior fiscal year (normalized for weather and growth/attrition) listed in Ccf for each rate class. C. FILING WITH THE CITY OF AUSTIN The following documents will be filed with the City of Austin: a) A schedule indicating the new CAC rates for each of the effected rate classes, to be filed within 30 days of implementation. b) An annual report of the prior fiscal year collections and disbursements, to be filed within 90 days of the prior fiscal year end. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated September 24, 2002 (Austin) December 23, 2002 (Sunset Valley)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution

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system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to

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customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCR-CTX-IS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas: 10, 20, 22, 30, 32, 40, 42, 48, CNG-1 and T-1. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPFC + PPRC NV CPFC = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for the rate schedules listed in Section A above. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of an RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Meters Read On

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RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
RCR-Rider-CTX-IS	<p>and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated November 30, 2005 and replaces Rate Sch RCR dated 12/29/03 (Kyle)</p> <p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to Rate Schedule RCR, shall apply to the rate schedules as listed in Section A of Rate Schedule RCR for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read On and After December 02, 2008 (9th RCR Filing) \$ 0.0093 per Ccf (Note 1) Total RCR Rate \$ 0.0093 per Ccf All applicable fees and taxes will be added to the above rate. Note 1: The 9th filing RCR rate is applicable to Austin, Cedar Park, Rollingwood, Sunset Valley and West Lake Hills only. Future Central Texas Service Area RCR rate filings will be filed with all the cities listed in Section A above. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated December 02, 2008 and replaces Rate Sch RCR-Rider dated 12/29/03 (Kyle)</p>
WNA-CTX-IS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of the Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills: 10, 20, 22, 40, 42, and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula: $WNA\ Rate = WNAD$, where CV $WNAD =$ Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: $WNAD = (HDD\ Diff * CB * WF) * COS\ rate$, where $HDD\ Diff = (Normal\ HDD - Actual\ HDD)$, the difference between normal and actual heating degree days for the billing period. $CB =$ Number of customers billed for the billing period. $WF =$ Weather factor determined for each rate schedule in the most recent rate case. $CV =$ Current Volumes for the billing period. D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds. Meters Read On and</p>

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After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) This Rate
 Schedule Replaces Weather Normalization Clause: WNC dated 7/1/93 (for CTX -
 excluding Cedar Park)

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>
11210	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			

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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>
8848	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			

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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>
11210	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: 20071101-034 &see 'ORD-CTX-IS'

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per 2/11/09 filing, Cities appvd.new rates & QSR are 'Central TX Service Area' instead of separate cities; rates billed eff. 6/30/09 &7/17/09(C. Park)

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	22_Lg Vol Commercial Sales_Central Tx Svc Area - Incorporated areas

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/30/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-INC-CTX-IS-COG	TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, Uncollectible Cost of Gas, and the revenue associated fees (including franchise fees) and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus an adjustment for any known and quantifiable under or over collection prior to the end of the reconciliation period. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing including penalties, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. Companies affiliated with the Company shall not be allowed to charge fees for transactions related to natural gas financial instruments utilized for purposes in this Cost of Gas Clause and hence can not realize a profit in this regard. The Cost of Purchased Gas may also include costs related to the purchase and transportation of Renewable Natural Gas (RNG). 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company

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(per Section B (3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of Pipeline Integrity costs during the period and (g) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s), (e) total amount of Uncollectible Cost of Gas during the period, and (f) total amount of Pipeline Integrity costs during the period.

8. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas.

9. Pipeline Integrity Costs - the costs incurred in order to comply with the Texas Railroad Commission's Pipeline Integrity Assessment and Management Plan rule, 16 Tex. Admin. Code Section 8.101 and any other future Railroad Commission rules related to integrity management plans.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding

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the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. The Company shall also be allowed to recover a carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the authorized rate of return.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including the gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the hedging activities conducted each month during the twelve months ending June 30, including the types of transaction used, resulting gains and losses, any changes in the hedging program implemented during the period and the rationale for the changes. The report should include the customer impact of

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hedging activities stated as costs to the average residential and commercial customer during the period. 5. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 6. A description of uncollectible cost of gas during the period and its effect on the Cost of Gas Clause to date. 7. A description of pipeline integrity costs during the period and its effect on the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park)

This Rate Schedule Replaces Cost of Gas Clause:

- 1-INC dated 9/8/08 (Austin),
- 1-INC dated 6/2/08 (Sunset Valley, Rollingwood, West Lake Hills and Cedar Park) and
- 1-INC dated 12/29/03 (Kyle)

1C-CTX-IS-CAC Adj

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 1C
 CONSERVATION ADJUSTMENT CLAUSE RATE A. APPLICABILITY The Conservation Adjustment Clause (CAC) rate, calculated pursuant to Rate Schedule CAC, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT CAC RATE

Rate	*Conservation	Schedule	Customer Class	Rate	10
Residential Service	\$.0205	20	Commercial	\$.0052	22 Large Volume
Commercial	\$.0254	30	Industrial	\$.0122	32 Large Volume Industrial

.0000 *The Conservation Rate will change annually pursuant to Rate Schedule CAC. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated January 2, 2007 (Austin & Sunset Valley)

30-CTX-IS-Ind

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 30
 INDUSTRIAL SERVICE RATE APPLICABILITY Applicable to any qualifying industrial customer whose annual average consumption is less than 10,000 Ccf per monthly billing period. Service under this rate schedule is available to any qualifying customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Divisions E and J - Utility and Government - facilities generating power for resale only TERRITORY All incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$40.00 plus All Ccf per monthly billing period @ \$.10675 per Ccf. OTHER ADJUSTMENTS In addition to the Cost of Service charges set forth above, each customer's bill shall include the following: 1. The Cost of Gas

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for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC. 2. Adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule CAC, if applicable. 3. Adjustments in accordance with the provisions of the Relocation Cost Recovery Rate Schedule RCR, if applicable. 4. All applicable taxes and fees (including franchise fees). CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated July 1, 1993

CAC-CTX-IS-Conser

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CAC CONSERVATION ADJUSTMENT CLAUSE A. APPLICABILITY The Conservation Adjustment Clause (CAC) shall apply to all rate schedules of Texas Gas Service Company (Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. The CAC rate shall be adjusted annually and applied to subsequent usage for each customer class. B. COMPUTATION OF CAC RATE The CAC rate for a given year will be separately calculated for each individual customer class according to the following: CAC Rate = (BCD + PYUC) or (BCD - PYOC)
NV BCD = Budgeted conservation dollars for each individual rate class during the upcoming fiscal year. These dollars will be submitted for the City of Austin's approval 30 days prior to the beginning of the upcoming fiscal year. If no action is taken by the City of Austin within 30 days, the budget will automatically be approved. PYUC = Accumulated under collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. PYOC = Accumulated over collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. NV = Actual volumes from the prior fiscal year (normalized for weather and growth/attrition) listed in Ccf for each rate class. C. FILING WITH THE CITY OF AUSTIN The following documents will be filed with the City of Austin: a) A schedule indicating the new CAC rates for each of the effected rate classes, to be filed within 30 days of implementation. b) An annual report of the prior fiscal year collections and disbursements, to be filed within 90 days of the prior fiscal year end. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated September 24, 2002 (Austin) December 23, 2002 (Sunset Valley)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of

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administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system

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shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-CTX-IS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas: 10, 20, 22, 30, 32, 40, 42, 48, CNG-1 and T-1. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC + PPRC NV CPRC = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for the rate schedules listed in Section A above. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of an RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that

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RCR-Rider-CTX-IS	<p>reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated November 30, 2005 and replaces Rate Sch RCR dated 12/29/03 (Kyle)</p> <p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to Rate Schedule RCR, shall apply to the rate schedules as listed in Section A of Rate Schedule RCR for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read On and After December 02, 2008 (9th RCR Filing) \$ 0.0093 per Ccf (Note 1)</p> <p>Total RCR Rate \$ 0.0093 per Ccf All applicable fees and taxes will be added to the above rate. Note 1: The 9th filing RCR rate is applicable to Austin, Cedar Park, Rollingwood, Sunset Valley and West Lake Hills only. Future Central Texas Service Area RCR rate filings will be filed with all the cities listed in Section A above. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated December 02, 2008 and replaces Rate Sch RCR-Rider dated 12/29/03 (Kyle)</p>
WNA-CTX-IS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of the Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills: 10, 20, 22, 40, 42, and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula: $WNA\ Rate = WNAD$, where</p> <p>CV WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: $WNAD = (HDD\ Diff * CB * WF) * COS\ rate$, where $HDD\ Diff = (Normal\ HDD - Actual\ HDD)$, the difference between normal and actual heating degree days for the billing period. $CB =$ Number of customers billed for the billing period. $WF =$ Weather factor determined for each rate schedule in the most recent rate case. $CV =$ Current Volumes for the billing period. D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule.</p>

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Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) This Rate Schedule Replaces Weather Normalization Clause: WNC dated 7/1/93 (for CTX - excluding Cedar Park)

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>
11210	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			

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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>
8848	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			

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TARIFF CODE: DS RRC TARIFF NO: 9478

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: 20071101-034 &see 'ORD-CTX-IS'

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per 2/11/09 filing, Cities appvd.new rates & QSR are 'Central TX Service Area' instead of separate cities; rates billed eff. 6/30/09 &7/17/09(C. Park)

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	30_Industrial Sales_Central Tx Svc Area - Incorporated areas

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/30/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-INC-CTX-IS-COG	TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Central Texas Service Area COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, Uncollectible Cost of Gas, and the revenue associated fees (including franchise fees) and taxes.
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus an adjustment for any known and quantifiable under or over collection prior to the end of the reconciliation period.
3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing including penalties, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. Companies affiliated with the Company shall not be allowed to charge fees for transactions related to natural gas financial instruments utilized for purposes in this Cost of Gas Clause and hence can not realize a profit in this regard. The Cost of Purchased Gas may also include costs related to the purchase and transportation of Renewable Natural Gas (RNG).
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company

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(per Section B (3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of Pipeline Integrity costs during the period and (g) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s), (e) total amount of Uncollectible Cost of Gas during the period, and (f) total amount of Pipeline Integrity costs during the period.

8. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas.

9. Pipeline Integrity Costs - the costs incurred in order to comply with the Texas Railroad Commission's Pipeline Integrity Assessment and Management Plan rule, 16 Tex. Admin. Code Section 8.101 and any other future Railroad Commission rules related to integrity management plans.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding

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the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. The Company shall also be allowed to recover a carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the authorized rate of return.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including the gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the hedging activities conducted each month during the twelve months ending June 30, including the types of transaction used, resulting gains and losses, any changes in the hedging program implemented during the period and the rationale for the changes. The report should include the customer impact of

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hedging activities stated as costs to the average residential and commercial customer during the period. 5. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 6. A description of uncollectible cost of gas during the period and its effect on the Cost of Gas Clause to date. 7. A description of pipeline integrity costs during the period and its effect on the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park)

This Rate Schedule Replaces Cost of Gas Clause:

- 1-INC dated 9/8/08 (Austin),
- 1-INC dated 6/2/08 (Sunset Valley, Rollingwood, West Lake Hills and Cedar Park) and
- 1-INC dated 12/29/03 (Kyle)

1C-CTX-IS-CAC Adj

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 1C CONSERVATION ADJUSTMENT CLAUSE RATE A. APPLICABILITY The Conservation Adjustment Clause (CAC) rate, calculated pursuant to Rate Schedule CAC, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT CAC RATE

Rate	*Conservation	Schedule	Customer Class	Rate	10
Residential Service	\$.0205	20	Commercial	\$.0052	22 Large Volume
Commercial	\$.0254	30	Industrial	\$.0122	32 Large Volume Industrial

.0000 *The Conservation Rate will change annually pursuant to Rate Schedule CAC. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated January 2, 2007 (Austin & Sunset Valley)

32-CTX-IS-LgInd

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 32 LARGE VOLUME INDUSTRIAL SERVICE RATE APPLICABILITY Applicable to any qualifying industrial customer whose annual average consumption exceeds 10,000 Ccf per monthly billing period. This rate is only available to full requirements customers of Texas Gas Service Company. Service under this rate schedule is available to any qualifying customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Divisions E and J - Utility and Government - facilities generating power for resale only TERRITORY All incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$80.00 plus All Ccf per monthly billing period @ \$.10064 per Ccf. OTHER ADJUSTMENTS In

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addition to the Cost of Service charges set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC. 2. Adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule CAC, if applicable. 3. Adjustments in accordance with the provisions of the Relocation Cost Recovery Rate Schedule RCR, if applicable. 4. All applicable taxes and fees (including franchise fees). CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated July 1, 1993

CAC-CTX-IS-Conser

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CAC CONSERVATION ADJUSTMENT CLAUSE A. APPLICABILITY The Conservation Adjustment Clause (CAC) shall apply to all rate schedules of Texas Gas Service Company (Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. The CAC rate shall be adjusted annually and applied to subsequent usage for each customer class. B. COMPUTATION OF CAC RATE The CAC rate for a given year will be separately calculated for each individual customer class according to the following: CAC Rate = (BCD + PYUC) or (BCD - PYOC)
 NV BCD = Budgeted conservation dollars for each individual rate class during the upcoming fiscal year. These dollars will be submitted for the City of Austin's approval 30 days prior to the beginning of the upcoming fiscal year. If no action is taken by the City of Austin within 30 days, the budget will automatically be approved. PYUC = Accumulated under collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. PYOC = Accumulated over collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. NV = Actual volumes from the prior fiscal year (normalized for weather and growth/attrition) listed in Cof for each rate class. C. FILING WITH THE CITY OF AUSTIN The following documents will be filed with the City of Austin: a) A schedule indicating the new CAC rates for each of the effected rate classes, to be filed within 30 days of implementation. b) An annual report of the prior fiscal year collections and disbursements, to be filed within 90 days of the prior fiscal year end. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated September 24, 2002 (Austin) December 23, 2002 (Sunset Valley)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the

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amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee

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on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009

RCR-CTX-IS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas: 10, 20, 22, 30, 32, 40, 42, 48, CNG-1 and T-1. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: $RCR\ Rate = CPCR + PPRC \cdot NV$ CPCR = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for the rate schedules listed in Section A above. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of an RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be

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implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated November 30, 2005 and replaces Rate Sch RCR dated 12/29/03 (Kyle)

RCR-Rider-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to Rate Schedule RCR, shall apply to the rate schedules as listed in Section A of Rate Schedule RCR for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read On and After December 02, 2008 (9th RCR Filing) \$ 0.0093 per Ccf (Note 1)
Total RCR Rate \$ 0.0093 per Ccf All applicable fees and taxes will be added to the above rate. Note 1: The 9th filing RCR rate is applicable to Austin, Cedar Park, Rollingwood, Sunset Valley and West Lake Hills only. Future Central Texas Service Area RCR rate filings will be filed with all the cities listed in Section A above. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated December 02, 2008 and replaces Rate Sch RCR-Rider dated 12/29/03 (Kyle)

WNA-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of the Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills: 10, 20, 22, 40, 42, and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula: $WNA\ Rate = WNAD,$ where
 $CV\ WNAD =$ Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: $WNAD = (HDD\ Diff * CB * WF) * COS\ rate,$ where $HDD\ Diff = (Normal\ HDD - Actual\ HDD),$ the difference between normal and actual heating degree days for the billing period. $CB =$ Number of customers billed for the billing period. $WF =$ Weather factor determined for each rate schedule in the most recent rate case. $CV =$ Current Volumes for the billing period. D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9479

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) This Rate Schedule Replaces Weather Normalization Clause: WNC dated 7/1/93 (for CTX - excluding Cedar Park)

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9479

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			

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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>
8848	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			

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TARIFF CODE: DS RRC TARIFF NO: 9479

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: 20071101-034 &see 'ORD-CTX-IS'

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per 2/11/09 filing, Cities appvd.new rates & QSR are 'Central TX Service Area' instead of separate cities; rates billed eff. 6/30/09 &7/17/09(C. Park)

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	32_Lg Vol Industrial Sales_Central Tx Svc Area - Incorporated areas

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9481

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/30/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-INC-CTX-IS-COG	TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Central Texas Service Area COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, Uncollectible Cost of Gas, and the revenue associated fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus an adjustment for any known and quantifiable under or over collection prior to the end of the reconciliation period.

3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing including penalties, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. Companies affiliated with the Company shall not be allowed to charge fees for transactions related to natural gas financial instruments utilized for purposes in this Cost of Gas Clause and hence can not realize a profit in this regard. The Cost of Purchased Gas may also include costs related to the purchase and transportation of Renewable Natural Gas (RNG).

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9481

RATE SCHEDULESCHEDULE IDDESCRIPTION

(per Section B (3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of Pipeline Integrity costs during the period and (g) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s), (e) total amount of Uncollectible Cost of Gas during the period, and (f) total amount of Pipeline Integrity costs during the period.

8. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas.

9. Pipeline Integrity Costs - the costs incurred in order to comply with the Texas Railroad Commission's Pipeline Integrity Assessment and Management Plan rule, 16 Tex. Admin. Code Section 8.101 and any other future Railroad Commission rules related to integrity management plans.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding

GAS SERVICES DIVISION

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the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. The Company shall also be allowed to recover a carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the authorized rate of return.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including the gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the hedging activities conducted each month during the twelve months ending June 30, including the types of transaction used, resulting gains and losses, any changes in the hedging program implemented during the period and the rationale for the changes. The report should include the customer impact of

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hedging activities stated as costs to the average residential and commercial customer during the period. 5. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 6. A description of uncollectible cost of gas during the period and its effect on the Cost of Gas Clause to date. 7. A description of pipeline integrity costs during the period and its effect on the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park)

This Rate Schedule Replaces Cost of Gas Clause:

- 1-INC dated 9/8/08 (Austin),
- 1-INC dated 6/2/08 (Sunset Valley, Rollingwood, West Lake Hills and Cedar Park) and
- 1-INC dated 12/29/03 (Kyle)

1C-CTX-IS-CAC Adj

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 1C CONSERVATION ADJUSTMENT CLAUSE RATE A. APPLICABILITY The Conservation Adjustment Clause (CAC) rate, calculated pursuant to Rate Schedule CAC, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT CAC RATE

Rate	*Conservation	Schedule	Customer Class	Rate	10
Residential Service	\$.0205	20	Commercial	\$.0052	22 Large Volume
Commercial	\$.0254	30	Industrial	\$.0122	32 Large Volume Industrial

.0000 *The Conservation Rate will change annually pursuant to Rate Schedule CAC. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated January 2, 2007 (Austin & Sunset Valley)

40-CTX-IS-PubA

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 40 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to any qualifying public authority customer whose annual average consumption is less than 2,900 Ccf per monthly billing period. Applicable to qualifying public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY All incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$20.00 plus All Ccf per monthly billing period @ \$.11838 per Ccf. OTHER ADJUSTMENTS In addition to the Cost of Service charges set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC. 2.

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Adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. 3. Adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule CAC, if applicable. 4. Adjustments in accordance with the provisions of the Relocation Cost Recovery Rate Schedule RCR, if applicable. 5. All applicable taxes and fees (including franchise fees). CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated July 1, 1993 (CTX except West Lake Hills) and Rate Sch 44 dated 10/30/08 (West Lake Hills)

CAC-CTX-IS-Conser

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CAC CONSERVATION ADJUSTMENT CLAUSE A. APPLICABILITY The Conservation Adjustment Clause (CAC) shall apply to all rate schedules of Texas Gas Service Company (Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. The CAC rate shall be adjusted annually and applied to subsequent usage for each customer class. B. COMPUTATION OF CAC RATE The CAC rate for a given year will be separately calculated for each individual customer class according to the following: CAC Rate = (BCD + PYUC) or (BCD - PYOC)
 NV BCD = Budgeted conservation dollars for each individual rate class during the upcoming fiscal year. These dollars will be submitted for the City of Austin's approval 30 days prior to the beginning of the upcoming fiscal year. If no action is taken by the City of Austin within 30 days, the budget will automatically be approved. PYUC = Accumulated under collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. PYOC = Accumulated over collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. NV = Actual volumes from the prior fiscal year (normalized for weather and growth/attrition) listed in Cof for each rate class. C. FILING WITH THE CITY OF AUSTIN The following documents will be filed with the City of Austin: a) A schedule indicating the new CAC rates for each of the effected rate classes, to be filed within 30 days of implementation. b) An annual report of the prior fiscal year collections and disbursements, to be filed within 90 days of the prior fiscal year end. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated September 24, 2002 (Austin) December 23, 2002 (Sunset Valley)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the

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amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee

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on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009

RCR-CTX-IS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas: 10, 20, 22, 30, 32, 40, 42, 48, CNG-1 and T-1. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC + PPRC NV CPRC = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for the rate schedules listed in Section A above. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of an RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9481

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<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
RCR-Rider-CTX-IS	<p>implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated November 30, 2005 and replaces Rate Sch RCR dated 12/29/03 (Kyle)</p> <p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to Rate Schedule RCR, shall apply to the rate schedules as listed in Section A of Rate Schedule RCR for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read On and After December 02, 2008 (9th RCR Filing) \$ 0.0093 per Ccf (Note 1)</p> <p>Total RCR Rate \$ 0.0093 per Ccf All applicable fees and taxes will be added to the above rate. Note 1: The 9th filing RCR rate is applicable to Austin, Cedar Park, Rollingwood, Sunset Valley and West Lake Hills only. Future Central Texas Service Area RCR rate filings will be filed with all the cities listed in Section A above. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated December 02, 2008 and replaces Rate Sch RCR-Rider dated 12/29/03 (Kyle)</p>
WNA-CTX-IS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of the Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills: 10, 20, 22, 40, 42, and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula: $WNA\ Rate = WNAD,$ where</p> <p>CV WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: $WNAD = (HDD\ Diff * CB * WF) * COS\ rate,$ where HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period. CB = Number of customers billed for the billing period. WF = Weather factor determined for each rate schedule in the most recent rate case. CV = Current Volumes for the billing period. D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the</p>

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RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) This Rate Schedule Replaces Weather Normalization Clause: WNC dated 7/1/93 (for CTX - excluding Cedar Park)

RATE ADJUSTMENT PROVISIONS

None

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9481

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			

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TARIFF CODE: DS RRC TARIFF NO: 9481

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8848	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9481

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: 20071101-034 &see 'ORD-CTX-IS'

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per 2/11/09 filing, Cities appvd.new rates & QSR are 'Central TX Service Area' instead of separate cities; rates billed eff. 6/30/09 &7/17/09(C. Park)

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	40_Public Authority Sales_Central Tx Svc Area - Incorporated areas

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9483

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/30/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-INC-CTX-IS-COG	TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Central Texas Service Area COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, Uncollectible Cost of Gas, and the revenue associated fees (including franchise fees) and taxes.
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus an adjustment for any known and quantifiable under or over collection prior to the end of the reconciliation period.
3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing including penalties, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. Companies affiliated with the Company shall not be allowed to charge fees for transactions related to natural gas financial instruments utilized for purposes in this Cost of Gas Clause and hence can not realize a profit in this regard. The Cost of Purchased Gas may also include costs related to the purchase and transportation of Renewable Natural Gas (RNG).
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9483

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(per Section B (3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of Pipeline Integrity costs during the period and (g) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s), (e) total amount of Uncollectible Cost of Gas during the period, and (f) total amount of Pipeline Integrity costs during the period.

8. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas.

9. Pipeline Integrity Costs - the costs incurred in order to comply with the Texas Railroad Commission's Pipeline Integrity Assessment and Management Plan rule, 16 Tex. Admin. Code Section 8.101 and any other future Railroad Commission rules related to integrity management plans.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. The Company shall also be allowed to recover a carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the authorized rate of return.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including the gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the hedging activities conducted each month during the twelve months ending June 30, including the types of transaction used, resulting gains and losses, any changes in the hedging program implemented during the period and the rationale for the changes. The report should include the customer impact of

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hedging activities stated as costs to the average residential and commercial customer during the period. 5. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 6. A description of uncollectible cost of gas during the period and its effect on the Cost of Gas Clause to date. 7. A description of pipeline integrity costs during the period and its effect on the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park)

This Rate Schedule Replaces Cost of Gas Clause:

- 1-INC dated 9/8/08 (Austin),
- 1-INC dated 6/2/08 (Sunset Valley, Rollingwood, West Lake Hills and Cedar Park) and
- 1-INC dated 12/29/03 (Kyle)

1C-CTX-IS-CAC Adj

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 1C
CONSERVATION ADJUSTMENT CLAUSE RATE A. APPLICABILITY The Conservation Adjustment Clause (CAC) rate, calculated pursuant to Rate Schedule CAC, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT CAC RATE

Rate	*Conservation	Schedule	Customer Class	Rate	10
Residential Service	\$.0205	20	Commercial	\$.0052	22 Large Volume
Commercial	\$.0254	30	Industrial	\$.0122	32 Large Volume Industrial
	.0000				

*The Conservation Rate will change annually pursuant to Rate Schedule CAC. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated January 2, 2007 (Austin & Sunset Valley)

42-CTX-IS-LgPubA

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 42
LARGE VOLUME PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to any qualifying public authority customer whose annual average consumption exceeds 2,900 Ccf per monthly billing period. Applicable to qualifying public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY All incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$80.00 plus All Ccf per monthly billing period @ \$.11041 per Ccf. OTHER ADJUSTMENTS In addition to the Cost of Service charges set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate

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Schedule 1-INC. 2. Adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. 3. Adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule CAC, if applicable. 4. Adjustments in accordance with the provisions of the Relocation Cost Recovery Rate Schedule RCR, if applicable. 5. All applicable taxes and fees (including franchise fees). CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated July 1, 1993

CAC-CTX-IS-Conser

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CAC CONSERVATION ADJUSTMENT CLAUSE A. APPLICABILITY The Conservation Adjustment Clause (CAC) shall apply to all rate schedules of Texas Gas Service Company (Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. The CAC rate shall be adjusted annually and applied to subsequent usage for each customer class. B. COMPUTATION OF CAC RATE The CAC rate for a given year will be separately calculated for each individual customer class according to the following: CAC Rate = (BCD + PYUC) or (BCD - PYOC)
 NV BCD = Budgeted conservation dollars for each individual rate class during the upcoming fiscal year. These dollars will be submitted for the City of Austin's approval 30 days prior to the beginning of the upcoming fiscal year. If no action is taken by the City of Austin within 30 days, the budget will automatically be approved. PYUC = Accumulated under collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. PYOC = Accumulated over collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. NV = Actual volumes from the prior fiscal year (normalized for weather and growth/attrition) listed in Ccf for each rate class. C. FILING WITH THE CITY OF AUSTIN The following documents will be filed with the City of Austin: a) A schedule indicating the new CAC rates for each of the effected rate classes, to be filed within 30 days of implementation. b) An annual report of the prior fiscal year collections and disbursements, to be filed within 90 days of the prior fiscal year end. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated September 24, 2002 (Austin) December 23, 2002 (Sunset Valley)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9483

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system

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shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-CTX-IS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas: 10, 20, 22, 30, 32, 40, 42, 48, CNG-1 and T-1. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC + PPRC NV CPRC = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for the rate schedules listed in Section A above. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of an RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that

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reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated November 30, 2005 and replaces Rate Sch RCR dated 12/29/03 (Kyle)

RCR-Rider-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to Rate Schedule RCR, shall apply to the rate schedules as listed in Section A of Rate Schedule RCR for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read On and After December 02, 2008 (9th RCR Filing) \$ 0.0093 per Ccf (Note 1)
Total RCR Rate \$ 0.0093 per Ccf All applicable fees and taxes will be added to the above rate. Note 1: The 9th filing RCR rate is applicable to Austin, Cedar Park, Rollingwood, Sunset Valley and West Lake Hills only. Future Central Texas Service Area RCR rate filings will be filed with all the cities listed in Section A above. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated December 02, 2008 and replaces Rate Sch RCR-Rider dated 12/29/03 (Kyle)

WNA-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of the Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills: 10, 20, 22, 40, 42, and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula: $WNA\ Rate = WNAD$, where
 $CV\ WNAD =$ Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: $WNAD = (HDD\ Diff * CB * WF) * COS\ rate$, where $HDD\ Diff = (Normal\ HDD - Actual\ HDD)$, the difference between normal and actual heating degree days for the billing period. $CB =$ Number of customers billed for the billing period. $WF =$ Weather factor determined for each rate schedule in the most recent rate case. $CV =$ Current Volumes for the billing period. D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule.

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Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) This Rate Schedule Replaces Weather Normalization Clause: WNC dated 7/1/93 (for CTX - excluding Cedar Park)

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 9483

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			

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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>
8848	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9483

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: 20071101-034 &see 'ORD-CTX-IS'

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per 2/11/09 filing, Cities appvd.new rates & QSR are 'Central TX Service Area' instead of separate cities; rates billed eff. 6/30/09 &7/17/09(C. Park)

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	42_Lg Vol Public Authority Sales_Central Tx Svc Area - Incorporated areas

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9485

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/30/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-INC-CTX-IS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Central Texas Service Area COST OF GAS CLAUSE</p> <p>A. APPLICABILITY</p> <p>This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, Uncollectible Cost of Gas, and the revenue associated fees (including franchise fees) and taxes.</p> <p>2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus an adjustment for any known and quantifiable under or over collection prior to the end of the reconciliation period.</p> <p>3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing including penalties, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. Companies affiliated with the Company shall not be allowed to charge fees for transactions related to natural gas financial instruments utilized for purposes in this Cost of Gas Clause and hence can not realize a profit in this regard. The Cost of Purchased Gas may also include costs related to the purchase and transportation of Renewable Natural Gas (RNG).</p> <p>4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.</p> <p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company</p>

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RATE SCHEDULE

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(per Section B (3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) the total amount of Uncollectible Cost of Gas during the period, (f) the total amount of Pipeline Integrity costs during the period and (g) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s), (e) total amount of Uncollectible Cost of Gas during the period, and (f) total amount of Pipeline Integrity costs during the period.

8. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas.

9. Pipeline Integrity Costs - the costs incurred in order to comply with the Texas Railroad Commission's Pipeline Integrity Assessment and Management Plan rule, 16 Tex. Admin. Code Section 8.101 and any other future Railroad Commission rules related to integrity management plans.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding

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RATE SCHEDULESCHEDULE IDDESCRIPTION

the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. The Company shall also be allowed to recover a carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the authorized rate of return.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including the gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the hedging activities conducted each month during the twelve months ending June 30, including the types of transaction used, resulting gains and losses, any changes in the hedging program implemented during the period and the rationale for the changes. The report should include the customer impact of

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hedging activities stated as costs to the average residential and commercial customer during the period. 5. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 6. A description of uncollectible cost of gas during the period and its effect on the Cost of Gas Clause to date. 7. A description of pipeline integrity costs during the period and its effect on the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park)

This Rate Schedule Replaces Cost of Gas Clause:

1-INC dated 9/8/08 (Austin),

1-INC dated 6/2/08 (Sunset Valley, Rollingwood, West Lake Hills and Cedar Park) and

1-INC dated 12/29/03 (Kyle)

1C-CTX-IS-CAC Adj

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 1C
 CONSERVATION ADJUSTMENT CLAUSE RATE A. APPLICABILITY The Conservation Adjustment Clause (CAC) rate, calculated pursuant to Rate Schedule CAC, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT CAC RATE

Rate	*Conservation	Schedule	Customer Class	Rate	10
Residential Service	\$.0205	20	Commercial	\$.0052	22 Large Volume
Commercial	\$.0254	30	Industrial	\$.0122	32 Large Volume Industrial

.0000 *The Conservation Rate will change annually pursuant to Rate Schedule CAC. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated January 2, 2007 (Austin & Sunset Valley)

48-CTX-IS-PubSchSpHt

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 48
 PUBLIC SCHOOLS SPACE HEATING SERVICE RATE APPLICABILITY Applicable to public schools for space heating purposes. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY All incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas.
 COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$40.00 plus All Ccf per monthly billing period @ \$.11689 per Ccf. OTHER ADJUSTMENTS In addition to the Cost of Service charges set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC. 2. The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. 3. Adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule CAC, if applicable. 4. Adjustments

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in accordance with the provisions of the Relocation Cost Recovery Rate Schedule RCR, if applicable. 5. All applicable taxes and fees (including franchise fees). CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, for peak shaving purposes or, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for any or all customers. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated July 1, 1993

CAC-CTX-IS-Conser

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CAC CONSERVATION ADJUSTMENT CLAUSE A. APPLICABILITY The Conservation Adjustment Clause (CAC) shall apply to all rate schedules of Texas Gas Service Company (Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. The CAC rate shall be adjusted annually and applied to subsequent usage for each customer class. B. COMPUTATION OF CAC RATE The CAC rate for a given year will be separately calculated for each individual customer class according to the following: CAC Rate = (BCD + PYUC) or (BCD - PYOC)
 NV BCD = Budgeted conservation dollars for each individual rate class during the upcoming fiscal year. These dollars will be submitted for the City of Austin's approval 30 days prior to the beginning of the upcoming fiscal year. If no action is taken by the City of Austin within 30 days, the budget will automatically be approved. PYUC = Accumulated under collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. PYOC = Accumulated over collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. NV = Actual volumes from the prior fiscal year (normalized for weather and growth/attrition) listed in Ccf for each rate class. C. FILING WITH THE CITY OF AUSTIN The following documents will be filed with the City of Austin: a) A schedule indicating the new CAC rates for each of the effected rate classes, to be filed within 30 days of implementation. b) An annual report of the prior fiscal year collections and disbursements, to be filed within 90 days of the prior fiscal year end. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated September 24, 2002 (Austin) December 23, 2002 (Sunset Valley)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution

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system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to

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customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCR-CTX-IS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas: 10, 20, 22, 30, 32, 40, 42, 48, CNG-1 and T-1. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPFC + PPRC NV CPFC = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for the rate schedules listed in Section A above. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of an RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Meters Read On

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RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
RCR-Rider-CTX-IS	<p>and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated November 30, 2005 and replaces Rate Sch RCR dated 12/29/03 (Kyle)</p> <p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to Rate Schedule RCR, shall apply to the rate schedules as listed in Section A of Rate Schedule RCR for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read On and After December 02, 2008 (9th RCR Filing) \$ 0.0093 per Ccf (Note 1) Total RCR Rate \$ 0.0093 per Ccf All applicable fees and taxes will be added to the above rate. Note 1: The 9th filing RCR rate is applicable to Austin, Cedar Park, Rollingwood, Sunset Valley and West Lake Hills only. Future Central Texas Service Area RCR rate filings will be filed with all the cities listed in Section A above. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated December 02, 2008 and replaces Rate Sch RCR-Rider dated 12/29/03 (Kyle)</p>
WNA-CTX-IS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of the Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills: 10, 20, 22, 40, 42, and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula: $WNA\ Rate = \frac{WNAD}{CV}$, where $WNAD = (HDD\ Diff * CB * WF) * COS\ rate$, where $HDD\ Diff = (Normal\ HDD - Actual\ HDD)$, the difference between normal and actual heating degree days for the billing period. $CB =$ Number of customers billed for the billing period. $WF =$ Weather factor determined for each rate schedule in the most recent rate case. $CV =$ Current Volumes for the billing period. D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds. Meters Read On and</p>

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TARIFF CODE: DS RRC TARIFF NO: 9485

RATE SCHEDULE

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DESCRIPTION

After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) This Rate
 Schedule Replaces Weather Normalization Clause: WNC dated 7/1/93 (for CTX -
 excluding Cedar Park)

RATE ADJUSTMENT PROVISIONS

None

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9485

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9485

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8848	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9485

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
11210	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: 20071101-034 &see 'ORD-CTX-IS'

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Per 2/11/09 filing, Cities appvd.new rates & QSR are 'Central TX Service Area' instead of separate cities; rates billed eff. 6/30/09 &7/17/09(C. Park)

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	48_Public Schools Space Heating Sales_Central Tx Svc Area - Incorporated areas

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9486

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

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shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority

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(Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC NV CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPub AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPub AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

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Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833)
per Ccf

\$ 0.0096

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated
September 17, 2008

Meters Read On and After
December 02, 2008

1-CTX-OS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of

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Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2.

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A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

2B-CTX-OS-LgCom

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 2B LARGE VOLUME COMMERCIAL SERVICE RATEAPPLICABILITYService under this rate schedule is available to any customer whose primary business activity at the location served is not provided for under any other rate schedule, and whose average usage exceeds 3,100 Ccf per monthly billing period.TERRITORYAll unincorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$150.00 plus All Ccf per monthly billing period @ \$.1151 per CcfOTHER APPLICABLE SCHEDULESIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 9486

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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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>
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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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>
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310	COMPANY NAME: TEXAS GAS SERVICE COMPANY
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TARIFF CODE: DS	RRC TARIFF NO: 9486
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REASONS FOR FILING

NEW?: N	RRC DOCKET NO: 9833	CITY ORDINANCE NO:
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AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
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M	Other(with detailed explanation)
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<u>OTHER TYPE DESCRIPTION</u>	2B_Lg Vol Commercial Sales_Central Tx Svc Area - Environs
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GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9487

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9487

RATE SCHEDULESCHEDULE IDDESCRIPTION

authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

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RATE SCHEDULE

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DESCRIPTION

balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

2C-CTX-OS-LgCom AC

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE
2C LARGE VOLUME COMMERCIAL AIR CONDITIONING SERVICE
RATEAPPLICABILITYService under this rate schedule is available to any customer whose primary business activity at the location served is not provided for under any other rate schedule, and whose average non-air conditioning usage exceeds 3,100 Ccf per monthly billing period, and who has and regularly operates a gas fired air conditioning system with a minimum of 40 tons of cooling capacity (name plate).TERRITORYAll unincorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: June-Oct. Nov.-May A customer charge per meter per month of \$150.00 plus \$150.00 plus All Ccf \$.0813 per Ccf \$.1151 per CcfCOST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. All gas provided pursuant to this rate schedule shall be used for air conditioning purposes and shall be separately metered. Gas provided for other, non-air conditioning uses, shall be billed under the otherwise applicable rate schedule.2. Subject in all respects to applicable laws, rules and regulations from time to time in effect. 3. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.4. Air conditioning equipment must be inspected and verified as safe, in service, and of sufficient capacity by qualified Company personnel. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9487

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a

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natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = $\frac{CPRC}{NV}$ CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-

GAS SERVICES DIVISION
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TARIFF CODE: DS RRC TARIFF NO: 9487

RATE SCHEDULE

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1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833)

\$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

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TARIFF CODE: DS RRC TARIFF NO: 9487

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	September 17, 2008 December 02, 2008

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9487

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9487

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9487

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310	COMPANY NAME: TEXAS GAS SERVICE COMPANY
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TARIFF CODE: DS	RRC TARIFF NO: 9487
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REASONS FOR FILING

NEW?: N	RRC DOCKET NO: 9833	CITY ORDINANCE NO:
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AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
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M	Other(with detailed explanation)
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<u>OTHER TYPE DESCRIPTION</u>	2C_Lg Vol Commercial A/C Sales_Central Tx Svc Area - Environs
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GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9488

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9488

RATE SCHEDULESCHEDULE IDDESCRIPTION

authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9488

RATE SCHEDULE

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DESCRIPTION

balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

3A-CTX-OS-SmInd AC

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 3A SMALL VOLUME INDUSTRIAL AIR CONDITIONING SERVICE RATEAPPLICABILITYApplicable to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government. Division B - Mining - All Major Groups Division D - Manufacturing - All Major Groups Division E and J - Utility and Government - facilities generating power for resale onlyThis rate is applicable to industrial customers whose non-air conditioning consumption averages less than 10,000 Ccf monthly and who have and regularly operate a gas fired central air conditioning system.TERRITORYAll unincorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: June - Oct. Nov. - MayA customer charge per meter per month of - \$45.00 plus \$45.00 plusFirst 600 Ccf \$.1170 per Ccf \$.1170 per CcfAll Over 600 Ccf \$.0791 per Ccf \$.1170 per Ccf COST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1. CONDITIONS1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.3. Air conditioning equipment must be inspected and verified as safe and in service by qualified Company personnel. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9488

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a

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natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = $\frac{CPRC}{NV}$ CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9488

RATE SCHEDULE

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DESCRIPTION

1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
 Central Texas Service Area
 RATE SCHEDULE RCR-ENV-RIDER
 RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833)
 per Ccf

\$ 0.0096

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 9488

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	September 17, 2008 December 02, 2008

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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TARIFF CODE: DS RRC TARIFF NO: 9488

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9488

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9488

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310	COMPANY NAME: TEXAS GAS SERVICE COMPANY
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REASONS FOR FILING

NEW?: N	RRC DOCKET NO: 9833	CITY ORDINANCE NO:
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AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
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M	Other(with detailed explanation)
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<u>OTHER TYPE DESCRIPTION</u>	3A_Sm Vol Industrial A/C Sales_Central Tx Svc Area - Environs
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GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9489

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

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GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9489

RATE SCHEDULESCHEDULE IDDESCRIPTION

authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

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balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

3B-CTX-OS-LgInd

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 3B LARGE VOLUME INDUSTRIAL SERVICE RATEAPPLICABILITYService under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Divisions E and J - Utility and Government - facilities generating power for resale onlyThis rate schedule is for those industrial customers whose consumption averages more than 10,000 Ccf per month.TERRITORYAll unincorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$150.00 plus All Ccf per monthly billing period @ \$.1065 per Ccf.COST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's

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pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas

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master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC / NV CPCR = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation

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demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

September 17, 2008

Meters Read On and After

December 02, 2008

RATE ADJUSTMENT PROVISIONS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9489

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9489

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9489

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9489

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9489

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	3B_Lg Vol Industrial Sales_Central Tx Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9490

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9490

RATE SCHEDULESCHEDULE IDDESCRIPTION

authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9490

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

3C-CTX-OS-LgInd AC

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE
3C LARGE VOLUME INDUSTRIAL AIR CONDITIONING SERVICE
RATEAPPLICABILITYService under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government: Division B - Mining - All Major Groups Division D - Manufacturing - All Major Groups Division E and J - Utility and Government - facilities generating power for resale onlyThis rate schedule is for those industrial customers whose average non-air conditioning consumption averages more than 10,000 Ccf per month and the customer must have and regularly operate a gas fired air conditioning system with a minimum of 40 tons of cooling capacity (name plate).TERRITORYAll unincorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: June - Oct. Nov. - MayA customer charge per meter per month of - \$150.00 plus \$150.00 plusAll Ccf @ \$.0808 per Ccf \$.1065 per Ccf COST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1. CONDITIONS1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.2. All gas provided pursuant to this rate schedule shall be used for air conditioning purposes and shall be separately metered. Gas provided for other, non-air conditioning uses, shall be billed under the otherwise applicable rate schedule.3. Air conditioning equipment must be inspected and verified as safe, in service, and of sufficient capacity by qualified Company personnel. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9490

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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DESCRIPTION

inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC NV CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1,

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9490

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833)

\$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9490

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Supersedes Same Sheet Dated	Meters Read On and After
September 17, 2008	December 02, 2008

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9490

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9490

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9490

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310	COMPANY NAME: TEXAS GAS SERVICE COMPANY
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TARIFF CODE: DS	RRC TARIFF NO: 9490
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REASONS FOR FILING

NEW?: N	RRC DOCKET NO: 9833	CITY ORDINANCE NO:
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AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
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M	Other(with detailed explanation)
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<u>OTHER TYPE DESCRIPTION</u>	3C_Lg Vol Industrial A/C Sales_Central Tx Svc Area - Environs
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GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9491

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9491

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9491

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

3Z-CTX-OS-Ind

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 3Z INDUSTRIAL SERVICE RATEAPPLICABILITYService under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Divisions E and J - Utility and Government - facilities generating power for resale onlyThis rate schedule is for those industrial customers whose consumption averages less than 10,000 Ccf per month.TERRITORYAll unincorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$45.00 plus All Ccf per monthly billing period @ \$.1170 per Ccf.COST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas

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master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC / NV CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation

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demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833)

\$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

RATE ADJUSTMENT PROVISIONS

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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>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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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>
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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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>
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 3Z_Industrial Sales_Central Tx Svc Area - Environs

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

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RATE SCHEDULESCHEDULE IDDESCRIPTION

authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

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balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

4A-CTX-OS-SmPubA AC

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 4A SMALL VOLUME PUBLIC AUTHORITY AIR CONDITIONING SERVICE RATEAPPLICABILITYApplicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts, and who have and regularly operate a gas fired central air conditioning system.TERRITORYAll unincorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: June - Oct. Nov. - MayA customer charge per meter per month of - \$15.00 plus \$15.00 plusFirst 225 Ccf \$.1511 per Ccf \$.1511 per CcfAll Over 225 Ccf \$.1191 per Ccf \$.1511 per Ccf COST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.3. Air conditioning equipment must be inspected and verified as to capacity by qualified Company personnel. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's

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pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas

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master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC / NV CPCR = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation

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demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

RATE ADJUSTMENT PROVISIONS

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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>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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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>
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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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>
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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TARIFF CODE: DS	RRC TARIFF NO: 9492
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REASONS FOR FILING

NEW?: N	RRC DOCKET NO: 9833	CITY ORDINANCE NO:
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AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
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M	Other(with detailed explanation)
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<u>OTHER TYPE DESCRIPTION</u>	4A_Sm Vol Public Authority A/C Sales_Central Tx Svc Area - Environs
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GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9493

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

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authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

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balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

4B-CTX-OS-LgPubA

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 4B LARGE VOLUME PUBLIC AUTHORITY SERVICE RATEAPPLICABILITYApplicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts.This rate schedule is for those public authority customers whose consumption averages more than 2,900 Ccf per month.TERRITORYAll unincorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$75.00 plus All Ccf per monthly billing period @ \$.1303 per Ccf.COST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the

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amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee

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on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008
March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = $\frac{CPRC \cdot NV}{CPRC}$ CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The

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RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

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>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9493

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

TYPE OF SERVICE SERVICE DESCRIPTION

M Other(with detailed explanation)

OTHER TYPE DESCRIPTION 4B_Lg Vol Public Authority Sales_Central Tx Svc Area - Environs

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9494

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

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balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

4C-CTX-OS-LgPubA AC

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 4C LARGE VOLUME PUBLIC AUTHORITY AIR CONDITIONING SERVICE RATEAPPLICABILITYApplicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate schedule is for those public authority customers whose average non-air conditioning consumption averages more than 2,900 Ccf per month and the customer must have and regularly operates a gas fired air conditioning system with a minimum of 40 tons of cooling capacity (name plate).TERRITORYAll unincorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: June - Oct. Nov. - MayA customer charge per meter per month of - \$75.00 plus \$75.00 plusAll Ccf @ \$.0939 per Ccf \$.1303 per CcfCOST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. All gas provided pursuant to this rate schedule shall be separately metered gas used for air conditioning purposes and gas provided for other, non-air conditioning uses, shall be billed under Rate Schedule 4B.2. Subject in all respects to applicable laws, rules and regulations from time to time in effect. 3. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.4. Air conditioning equipment must be inspected and verified as safe, in service, and of sufficient capacity by qualified Company personnel. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS

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SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual

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inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC NV CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1,

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T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

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Supersedes Same Sheet Dated
September 17, 2008

Meters Read On and After
December 02, 2008

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 9494

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

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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>
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9494

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9494

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4C_Lg Vol Public Authority A/C Sales_Central Tx Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9495

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9495

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9495

RATE SCHEDULE

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DESCRIPTION

balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

4H-CTX-OS-PubSchSpHT

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 4H PUBLIC SCHOOLS SPACE HEATING SERVICE RATEAPPLICABILITYApplicable to public schools for space heating purposes.TERRITORYAll unincorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$60.00 plus All Ccf per monthly billing period @ \$.1302 per Ccf.COST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, for peak shaving purposes or, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for any or all customers. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9495

RATE SCHEDULE

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DESCRIPTION

system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to

GAS SERVICES DIVISION
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customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CP/RC NV CP = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9495

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
 Central Texas Service Area
 RATE SCHEDULE RCR-ENV-RIDER
 RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833)

\$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 9495

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9495

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9495

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9495

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
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M	Other(with detailed explanation)
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<u>OTHER TYPE DESCRIPTION</u>	4H_Public Schools Space Heating Sales_Central Tx Svc Area - Environs
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GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9496

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9496

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9496

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC NV CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPub AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPub AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9496

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

1-CTX-OS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of

GAS SERVICES DIVISION

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RATE SCHEDULE

SCHEDULE IDDESCRIPTION

Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9496

RATE SCHEDULE

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DESCRIPTION

A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

4Z-CTXnoWLak-OS-PubA

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 4Z PUBLIC AUTHORITY SERVICE RATEAPPLICABILITYApplicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts.TERRITORYAll unincorporated areas, other than West Lake Hills, served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$15.00 plus All Ccf per monthly billing period @ \$.1511 per CcfCOST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Sheet Dated Gas Sold On and After November 27, 1991 November 22, 1993

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9496

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9496

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9496

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	4Z_Public Authority Sales_Central Tx Svc Area - Environs (excludes West Lake Hills)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9497

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 02/22/1988 ORIGINAL CONTRACT DATE: 02/22/1988 RECEIVED DATE: 04/09/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-INC-CTXnoAu-IS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Sunset Valley, Rollingwood, West Lake Hills and Cedar Park in its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, the Relocation Cost Recovery Rate and the revenue associated fees (including franchise fees) and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extracting, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will</p>

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).

8. Relocation Cost Recovery Rate - The rate per billing unit pursuant to Rate Schedule RCR.

C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. Notwithstanding anything herein to the contrary, in addition to the Rates set forth above, the Company shall bill each general sales customer, in the incorporated area of Austin only, a surcharge of \$0.0010 per Ccf during the billing period in accordance with City of Austin letter dated October 3, 2006 authorizing the recovery of audit and program review costs related to the gas franchise renewal. The surcharge shall be effective only until the aforementioned costs have been collected by the Company.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate

GAS SERVICES DIVISION
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Relocation Cost Recovery Rate; (f) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (g) the Cost of Gas calculation; and (h) the beginning and ending date of the billing period . The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.

This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After January 2, 2007 June 2, 2008 (Sunset Valley, Rollingwood, West Lake Hills and Cedar Park only)

C-1-CTX-ISOS-Cogen

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE NO. C-1 ELECTRICAL COGENERATION AND ENERGY CONSERVATION RATEAPPLICABILITYService under this rate schedule is available to any customer who enters into a contract with the Company to use natural gas for the purpose of cogeneration. Cogeneration is defined as the use of thermal energy to produce electricity with recapture of by-product heat in the form of steam, exhaust heat, etc. for industrial process use, space heating, food processing or other purposes.TERRITORYThis rate shall be available throughout the Company's Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: Nov.-May June Oct. Winter Summer A customer charge per meter per month of \$100.00 plus \$100.00 plusFor the First 5,000 Ccf/Month \$.0950 \$.0760For the Next 35,000 Ccf/Month \$.0855 \$.0684For the Next 60,000 Ccf/Month \$.0727 \$.0545All Over 100,000 Ccf/Month \$.0570 \$.0399COST OF GASIn addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule No. 1 for unincorporated areas and Rate Schedule No. 1-INC for incorporated areas.CONDITIONS1. Gas taken under this rate shall be used exclusively for the purpose of cogeneration as defined in the Applicability section

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 9497

RATE SCHEDULE

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of this rate schedule and not for other purposes. The gas taken under this rate will be separately metered.2. This rate will not be available for standby use. 3. For the purpose of this rate, the annual load factor must be 60% or greater. The annual load factor is defined as the customer's total annual consumption divided by the customers peak month consumption times twelve. If less than a 60 percent load factor occurs for a twelve-month period, the rate charged will be the rate that the customer would otherwise be served under for months in which the annual load factor did not equal 60%.4. To qualify for the summer discounts, the customer's peak summer load must be at least 75% of the customers peak winter load. Failure to meet this requirement will result in summer bills being issued at winter rates.5. The curtailment priority of any customer served under this rate schedule shall be the same as the curtailment priority which would pertain if gas were used directly to provide energy for uses as defined and listed in Section 1.08.02 of the Company's Central Texas Rules of Service.6. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. Supersedes Interim Rate Dated Meters Read On and After December 21, 1987 February 22, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is

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defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6)

Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008

March 31, 2009

March 31, 2009

March 31, 2009

RCR-CTX-IS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the incorporated areas of the Central Texas Service Area: 10, 14, 15, 16, 20, 21, 22, 23, 24, 25,

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26, 27, 30, 31, 32, 33, 40, 41, 42, 43, 44, 48, CNG-1, C-1, T020, T021, T022, T023, T030, T031, T032, T033, T040, T041, T042, T043, T044, T048, T049, T0C-1, CNGT B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPCR + PPRC NV CPCR = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 10, 14, 15, 16, 20, 21, 22, 23, 24, 25, 26, 27, 30, 31, 32, 33, 40, 41, 42, 43, 44, 48, CNG-1, C-1, T020, T021, T022, T023, T030, T031, T032, T033, T040, T041, T042, T043, T044, T048, T049, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Supersedes Same Sheet Dated Meters Read On and After May 24, 2002 November 30, 2005

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPCR NV CPCR = Relocation costs for the current recovery

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period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
 Central Texas Service Area
 RATE SCHEDULE RCR-ENV-RIDER
 RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833)

\$ 0.0096

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per Ccf
 Total RCR Rate
 \$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated September 17, 2008 Meters Read On and After December 02, 2008

RCR-Rider-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR, shall apply to the following rate schedules for the incorporated areas of the Central Texas Service Area: 10, 14, 15, 16, 20, 21, 22, 23, 24, 25, 26, 27, 30, 31, 32, 33, 40, 41, 42, 43, 44, 48, CNG-1, C-1, T020, T021, T022, T023, T030, T031, T032, T033, T040, T041, T042, T043, T044, T048, T049, T0C-1, CNGT. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read On and After December 02, 2008 (9th RCR Filing) \$ 0.0093 per Ccf Total RCR Rate \$ 0.0093 per Ccf
 All applicable fees and taxes will be added to the above rate.
 Supersedes Same Sheet Dated Meters Read On and After October 7, 2008 December 02, 2008

1-CTX-OS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net

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of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost

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multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

1-INC-Austin-IS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Austin in its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees (including franchise fees) and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing

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services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. Companies affiliated with the Company shall not be allowed to charge fees for transactions related to natural gas financial instruments utilized for purposes in this Cost of Gas Clause and hence can not realize a profit in this regard. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B (3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers and the known volumes of gas that may be otherwise accounted for, including but not limited to Company used gas, liquid extracting, meter errors due to inaccurate calibration or temperature fluctuations and accidental discharges of gas from the Company's system during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined

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to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including the gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the hedging activities conducted each month during the twelve months ending June 30, including the types of transaction used, resulting gains and losses, any changes in the hedging program implemented during the period and the rationale for the changes. The report should include the customer impact of hedging activities stated as costs to the average residential and commercial customer during the period. 5. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is

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required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After January 2, 2007 September 8, 2008 (Austin only)

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>
8845	N	Ccf	\$.5886	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5886	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5886	03/31/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5886	03/31/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5886	03/31/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5808	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5776	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5835	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9497

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8843	N	Ccf	\$.5886	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5886	03/31/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.5121	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5121	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5121	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5121	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5121	04/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5121	04/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5121	04/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5054	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5026	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5077	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9497

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8857	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.5152	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5152	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5152	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5152	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5152	06/01/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5152	06/01/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5152	06/01/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5084	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5056	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5108	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9497

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8855	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO: 20071101-034

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	C-1_Electric Cogeneration & Energy Conservation Sales_Central Tx Svc Area - Incorporated and Environs areas

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9498

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 01/01/1988 ORIGINAL CONTRACT DATE: 01/01/1988 RECEIVED DATE: 07/30/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9498

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9498

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC NV CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPub AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPub AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9498

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

1-CTX-OS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of

GAS SERVICES DIVISION

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Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9498

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

CNG-1-CTX-OS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CNG-1 COMPRESSED NATURAL GAS SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer for usage where customer purchases natural gas which will be compressed and used as a motor fuel. Service will be separately metered. This rate does not include compression by the Company beyond normal meter sales pressure. TERRITORY All unincorporated areas served by the Company in its Central Texas Region. COST OF SERVICE RATE During each monthly billing period: A customer charge of \$30.00 plus All Ccf per monthly billing period @ \$.0850 per Ccf COST OF GAS In addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule No. 1 for unincorporated areas. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threaten shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. 3. The Company's Budget Billing Plan is not available to customers taking this service. 4. This rate does not include any road use fees, permits, or taxes etc. It provides for the delivery of uncompressed natural gas only. 5. Customer must provide affidavit to the Company certifying that the gas delivered will be compressed for use as motor fuel. 6. Compressor station subject to inspection by Company engineers.

Date Effective January 1, 1988

(applicable to unincorporated areas only effective

06/30/09,)

Initial Rate

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9498

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9498

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8855	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9498

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8851	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			
8859	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			
8853	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WESTBANK TAX) - ENV (CENTRAL TX SVC AREA)			
8854	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - ENV (CENTRAL TX SVC AREA)			
8855	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - ENV (CENTRAL TX SVC AREA)			
8856	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #2) - ENV (CENTRAL TX SVC AREA)			
8857	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (EMS DIST #4) - ENV (CENTRAL TX SVC AREA)			
8858	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	TRAVIS CO (NOT TCED) - ENV (CENTRAL TX SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9498

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8859	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - ENV (CENTRAL TX SVC AREA)			
8860	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WILLIAMSON CO - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Applicable to ENVIRONS AREAS ONLY eff. 6/30/09, Cities moved to tariff 21465 which rates were approved cities on 2/11/09.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	CNG-1_Compressed Natural Gas Sales_Central Tx Svc Area - Environs areas

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9499

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 03/12/1992 ORIGINAL CONTRACT DATE: 03/12/1992 RECEIVED DATE: 04/09/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
NGV-CTX-IS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE NGV NGV COMPRESSION UNIT SERVICEAPPLICABILITYThis rate is applicable to customers who utilize a Company-owned CNG compression unit with a maximum refueling capacity of 3 CFM. This rate is for possession and usage of the compression unit only and does not pertain to gas consumed through the unit. Gas consumption shall be metered and billed under the customer's otherwise applicable service rate.TERRITORYAll incorporated areas served by the Company in its Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period:A customer charge per compression unit of \$50.00CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. Meters Read On and After Original Sheet March 12, 1992</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9499

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9499

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8845	N			
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N			
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N			
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N			
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N			
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N			
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N			
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N			
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
8843	N			
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N			
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			

REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	NGV_NGV Compression Unit Sales_Central Tx Svc Area - Incorporated areas

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9748

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/29/2003 ORIGINAL CONTRACT DATE: 12/29/2003 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9748

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-Kyle-IS-Reloc

TEXAS GAS SERVICE COMPANY Kyle Service Area - Central Texas Region RATE SCHEDULE RCR RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the incorporated areas of the Kyle Service Area: 10, 20, TO20. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following

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formula: RCR Rate = CPCR + PPRC NV CPCR = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. BILLING 1. The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a component of the Company's Cost of Gas (per Ccf rate) for rate schedules: 10, 20. 2. The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: T020. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Initial Rate Meters Read On and After December 29, 2003

RCR-Rider-Kyle-IS

TEXAS GAS SERVICE COMPANY Kyle Service Area - Central Texas Region RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR, shall apply to the following rate schedules for the incorporated areas of the Kyle Service Area: 10, 20, T020. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read on and After _____ \$ 0.0000 per Ccf Total RCR Rate \$ 0.0000 per Ccf All applicable fees and taxes will be added to the above rate. Initial Rate Meters Read On and After December 29, 2003

1-INC-Kyle-IS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Kyle Service Area - Central Texas Region COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Kyle Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, the Relocation Cost Recovery Rate and the revenue associated fees (including franchise fees) and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month

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from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period, including prudently incurred gains or losses on natural gas financial instruments(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, including prudently incurred gains or losses incurred on natural gas financial instruments, (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).8. Relocation Cost Recovery Rate - The rate per billing unit pursuant to Rate Schedule RCR.C. COST OF GASIn addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENTIf the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. INTEREST ON FUNDSConcurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the

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outstanding under collected balance multiplied by interest of 6% per annum compounded monthly.F. SURCHARGE OR REFUND PROCEDURESIn the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account.Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above.G. COST OF GAS STATEMENTThe Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Relocation Cost Recovery Rate; (f) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (g) the Cost of Gas calculation; and (h) the beginning and ending date of the billing period . The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.. ANNUAL RECONCILIATION REPORTThe Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to:1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.
Initial Rate Meters Read On and After December 29, 2003

10-Kyle-IS-Res

TEXAS GAS SERVICE COMPANY Kyle Service Area - Central Texas Region RATE SCHEDULE 10 RESIDENTIAL SERVICE RATEAPPLICABILITYApplicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.TERRITORYAll customers in the incorporated area of Kyle, Texas. COST OF SERVICE RATEDuring each monthly billing period: A Customer Charge per meter/month of \$11.50 plus - All Ccf per monthly billing period @ \$.14545 per CcfOTHER ADJUSTMENTSIn addition to the Cost of Service set forth above, each customer's bill shall include the following: Cost of Gas Component: The basic rate for cost of service set forth above shall be adjusted by the amount of the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC. Taxes: Plus applicable taxes related to above.CONDITIONS1. Subject in all

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	respects to applicable laws, rules, and regulations from time to time in effect.2. Residential service shall have priority in supply. Initial Rate Meters Read on and After December 29, 2003

RATE ADJUSTMENT PROVISIONS
None

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
11210	N	Ccf	\$.5352	03/31/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
11210	N	Ccf	\$.4564	04/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
11210	N	Ccf	\$.4812	06/01/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING

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

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	10_Residential Sales_Kyle Tx Svc Area - Incorporated Kyle, TX

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/29/2003 ORIGINAL CONTRACT DATE: 12/29/2003 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-INC-Kyle-IS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1-INC Kyle Service Area - Central Texas Region COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of its Kyle Service Area.B. DEFINITIONS1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, the Relocation Cost Recovery Rate and the revenue associated fees (including franchise fees) and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period, including prudently incurred gains or losses on natural gas financial instruments(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority.7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s)</p>

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for gas applicable to general service customers as recorded on the Company's books and records, including prudently incurred gains or losses incurred on natural gas financial instruments, (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).8. Relocation Cost Recovery Rate - The rate per billing unit pursuant to Rate Schedule RCR.C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly.F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above.G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Relocation Cost Recovery Rate; (f) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (g) the Cost of Gas calculation; and (h) the beginning and ending date of the billing period . The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to:1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the

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twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.
Initial Rate Meters Read On and After December 29, 2003

20-Kyle-IS-Com

TEXAS GAS SERVICE COMPANY Kyle Service Area - Central Texas Region RATE SCHEDULE 20 COMMERCIAL SERVICE RATEAPPLICABILITYApplicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule.TERRITORYAll customers in the incorporated area of Kyle, Texas. COST OF SERVICE RATEDuring each monthly billing period: A Customer Charge per meter/month of \$11.50 plus All Ccf per monthly billing period @ \$.14545 per Ccf.OTHER ADJUSTMENTSIn addition to the Cost of Service set forth above, each customer's bill shall include the following: Cost of Gas Component: The basic rate for cost of service set forth above shall be adjusted by the amount of the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC. Taxes: Plus applicable taxes related to above.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Initial Rate Meters Read On and After December 29, 2003

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to

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the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected

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SCHEDULE ID	DESCRIPTION
	<p>from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009</p>
RCR-Kyle-IS-Reloc	<p>TEXAS GAS SERVICE COMPANY Kyle Service Area - Central Texas Region RATE SCHEDULE RCR RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the incorporated areas of the Kyle Service Area: 10, 20, T020. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC + PPRC NV CPRC = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. BILLING 1. The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a component of the Company's Cost of Gas (per Ccf rate) for rate schedules: 10, 20. 2. The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: T020. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Initial Rate Meters Read On and After December 29, 2003</p>
RCR-Rider-Kyle-IS	<p>TEXAS GAS SERVICE COMPANY Kyle Service Area - Central Texas Region RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 9749

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	to rate schedule RCR, shall apply to the following rate schedules for the incorporated areas of the Kyle Service Area: 10, 20, TO20. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read on and After _____ \$ 0.0000 per Ccf Total RCR Rate \$ 0.0000 per Ccf All applicable fees and taxes will be added to the above rate. Initial Rate Meters Read On and After December 29, 2003

RATE ADJUSTMENT PROVISIONS
None

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
11210	N	Ccf	\$.5352	03/31/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
11210	N	Ccf	\$.4564	04/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
11210	N	Ccf	\$.4812	06/01/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:
AMENDMENT (EXPLAIN):
OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other (with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	20_Commercial Sales_Kyle Tx Svc Area - Incorporated Kyle, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 15405

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 01/31/2006 ORIGINAL CONTRACT DATE: 01/31/2006 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 15405

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

1-Drip-OS-COG

TEXAS GAS SERVICE COMPANY
RATE SCHEDULE NO. 1
Dripping Springs Service Area
COST OF GAS CLAUSE

A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Dripping Springs Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds.
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 15405

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

Ratio.

3. Cost of Purchased Gas - The cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility.

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

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

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, including prudently incurred gains or losses incurred on natural gas financial instruments, (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 15405

RATE SCHEDULESCHEDULE IDDESCRIPTION

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the Cost of Gas calculation; and (f) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 15405

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Initial Rate Meters Read On and After
 January 31, 2006

1Z-Drip-OS-Res

TEXAS GAS SERVICE COMPANY Dripping Springs Service Area RATE SCHEDULE 1Z
 RESIDENTIAL SERVICE RATE APPLICABILITY Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes. TERRITORY All customers in the unincorporated area of Dripping Springs, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter/month of \$11.50 plus - All Ccf per monthly billing period @ \$ 0.0766 per Ccf OTHER ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following: Cost of Gas Component: The basic rate for cost of service set forth above shall be adjusted by the amount of the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Residential service shall have priority in supply. Initial Rate Meters Read on and After January 31, 2006

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 15405

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
24707	N	Ccf	\$.4434	03/31/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			
24707	N	Ccf	\$.5591	04/30/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			
24707	N	Ccf	\$.5826	06/01/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			
24707	N	Ccf	\$.6201	06/30/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			
24707	N	Ccf	\$.5016	07/30/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			
24707	N	Ccf	\$.4254	08/28/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1Z_Residential Sales_Dripping Springs Svc Area - Environs

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 15406

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 01/31/2006 ORIGINAL CONTRACT DATE: 01/31/2006 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-Drip-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Dripping Springs Service Area COST OF GAS CLAUSE</p> <p>A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Dripping Springs Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds.</p> <p>2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p> <p>3. Cost of Purchased Gas - The cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility.</p> <p>4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.</p> <p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period, including prudently incurred gains or losses on natural gas financial instruments(b) the revenues received from operation of the provisions of this cost of gas clause , (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s), and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.</p> <p>6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 15406

RATE SCHEDULESCHEDULE IDDESCRIPTION

period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, including prudently incurred gains or losses incurred on natural gas financial instruments, (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly.

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

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 15406

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the Cost of Gas calculation; and (f) the beginning and ending date of the billing period . The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Initial Rate Meters Read On and After
January 31, 2006

2Z-Drip-OS-Com

TEXAS GAS SERVICE COMPANY Dripping Springs Service Area RATE SCHEDULE 2Z
COMMERCIAL SERVICE RATE APPLICABILITY Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule.
TERRITORY All customers in the unincorporated area of Dripping Springs, Texas.
COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter/month of \$17.00 plus All Ccf per monthly billing period @ \$0.0773 per Ccf. OTHER ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following: Cost of Gas Component: The basic rate for cost of service set forth above shall be adjusted by the amount of the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1. Taxes: Plus applicable taxes and fees (including franchise fees) related to above.
CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Initial Rate Meters Read On and After January 31, 2006

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 15406

RATE SCHEDULESCHEDULE IDDESCRIPTION

SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's
pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total
amount of revenue estimated to be collected under this section does not exceed the
amount the Commission estimates to be necessary to recover the costs of
administering the pipeline safety program under Texas Utilities Code, Chapter 121,
excluding costs that are fully funded by federal sources, for any fiscal year.
(b) The Commission hereby assesses each operator of a natural gas distribution
system an annual pipeline safety program fee of \$0.50 for each service (service
line) reported to be in service at the end of each calendar year by each system
operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15
of each year. (1) Each operator of a natural gas distribution system shall
calculate the total amount of the annual pipeline safety program fee to be paid to
the Commission by multiplying the number of services listed in Part B, Section 3,
of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1,
due to be filed on March 15 of each year, by \$0.50. (2) Each operator of
a natural gas distribution system shall remit to the Commission on March 15 of each
year, the amount calculated under paragraph (1) of this subsection. (3) Each
operator of a natural gas distribution system shall recover, by a surcharge to its
existing rates, the amount the operator paid to the Commission under paragraph (1)
of this subsection. The surcharge: (A) shall be a flat rate, one-time
surcharge; (B) shall not be billed before the operator remits the
pipeline safety program fee to the Commission; (C) shall be applied in
the billing cycle or cycles immediately following the date on which the operator
paid the Commission; (D) shall not exceed \$0.50 per service or service
line (For calendar year 2009 the annual pipeline safety program fee, effective with
meters read on and after March 31, 2009, Texas Gas Service Company will bill all
customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service
line) ; and (E) shall not be billed to a state agency, as that term is
defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the
last billing cycle in which the pipeline safety program fee surcharge is billed to
customers, each operator of a natural gas distribution system shall file with the
Commission's Gas Services Division and the Safety Division a report showing:
(A) the pipeline safety program fee amount paid to the Commission; (B)
the unit rate and total amount of the surcharge billed to each customer;
(C) the date or dates on which the surcharge was billed to customers; and
(D) the total amount collected from customers from the surcharge. (5) Each
operator of a natural gas distribution system that is a utility subject to the
jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,
shall file a generally applicable tariff for its surcharge in conformance with the
requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
Amounts recovered from customers under this subsection by an investor-owned natural
gas distribution system or a cooperatively owned natural gas distribution system
shall not be included in the revenue or gross receipts of the system for the
purpose of calculating municipal franchise fees or any tax imposed under Subchapter
B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject

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to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

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>
24707	N	Ccf	\$.4434	03/31/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			
24707	N	Ccf	\$.5591	04/30/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			
24707	N	Ccf	\$.5826	06/01/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			
24707	N	Ccf	\$.6201	06/30/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			
24707	N	Ccf	\$.5016	07/30/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			
24707	N	Ccf	\$.4254	08/28/2009
<u>CUSTOMER NAME</u>	DRIPPING SPRINGS - ENV			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2Z_Commercial Sales_Dripping Springs Svc Area - Environs

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DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 07/30/2009 ORIGINAL CONTRACT DATE: 07/30/2009 RECEIVED DATE: 08/14/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-INC-R-Weath-IS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE 1-INC-R North Texas Area Page 1 of 1 RIDER TO THE COST OF GAS CLAUSE, Rate Schedule 1-INC Applicable in the incorporated area of Weatherford, TX. The related fees referenced in Paragraph B, Section 1 of the Cost of Gas Clause shall expressly include the full amount necessary for the Company to recover the franchise fees payable upon both the base rates and gas costs of its General Service customers in accordance with the applicable franchise ordinance. Additionally, the franchise fees collected by the Company from its customers and to be remitted to the City in accordance with the franchise ordinance shall not be included as part of the Reconciliation Audit set forth in Paragraph B, Section 5 or the Cost of Gas Statement set forth in Paragraph G. Supersedes Same Sheet Dated September 25, 2001 (City of Weatherford)</p> <p>Meters Read On and After April 28, 2006 (City of Weatherford)</p>
1-1-NTX-IS-COSadj	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson and Weatherford, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) * Based on last city- approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the</p>

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applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows:
Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Multiplied by: Tax Factor (.35/(1-.35) or .53846) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service. D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment prior to its taking effect with the first billing cycle of August of each year. If a City takes no action within ninety (90) days, the proposed annual rate adjustment will be deemed approved by the City. A city or group of cities may retain a consultant to review the annual rate adjustment filing, and the Company agrees to reimburse the actual, aggregate cost of such review(s) up to an amount not to exceed \$15,000 per year. Any reimbursement of such costs will be recoverable through the Company's annual cost of service adjustment rate. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Texas Gas Service Company shall not appeal to the Railroad Commission of Texas the denial of its annual rate adjustment by one or more of the cities. However, such denial shall not preclude Texas Gas Service Company from filing a Statement of Intent to increase rates pursuant to section 104.102 of the Texas Utilities Code in such cities. Initial Rate Schedule Meters Read On and After
November 30, 2007 (Other Cities)
December 4, 2007 (Breckenridge) August 29, 2008 (Weatherford)

1-INC-NTX-IS-COG

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas . B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component related fees (including franchise fees), and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from

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its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing

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cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any. 5. Transition from the preceding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December. Supersedes Rate Schedules:

1-INC dated 8/24/01 (Weatherford, Willow Park, Aledo, Hudson Oaks, Mineral Wells, Graford, Millsap, Jacksboro, Bryson, Graham) 1 dated 6/23/2000 (Breckenridge)

Meters Read On

and After

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April 28, 2006 (Other cities)
June 5, 2006 (Breckenridge)

10-NTX-IS-Res

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 10 RESIDENTIAL SERVICE RATE APPLICABILITY Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes. TERRITORY All customers in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Grafard, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 10.75 plus All Ccf at \$ 0.22360 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Residential service shall have priority in supply. Supersedes Same Rate Schedule dated Meters Read On and After July 31, 2008 (Other cities) July 30, 2009 August 29, 2008 (Weatherford)

ORD-NTX-IS

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE ORD-NTX CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales customers. TERRITORY All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Grafard, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. DESCRIPTION Per COSA filing dated 4/1/08, the following cities passed via operation of law on 6/30/08 new gas sales rates effective 7/31/08. Per Statement of Intent filed 7/25/08, Weatherford passed the COSA clause and the same rates that are effective in the other cities. Weatherford rates are effective 8/29/08. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Breckenridge Via Operation of Law 6/30/08 7/31/08 Graham Via Operation of Law 6/30/08 7/31/08 Jacksboro Via Operation of Law 6/30/08 7/31/08 Bryson Via Operation of Law 6/30/08 7/31/08 Mineral Wells Via Operation of Law 6/30/08 7/31/08 Grafard Via Operation of Law 6/30/08 7/31/08 Millsap Via Operation of Law 6/30/08 7/31/08 Weatherford Via Operation of Law 8/26/08 8/29/08 Aledo Via Operation of Law 6/30/08 7/31/08 Hudson Oaks Via Operation of Law 6/30/08 7/31/08 Willow Park Via Operation of Law 6/30/08 7/31/08 Supersedes Same Rate Sheet Dated Effective November 30, 2007 (Other cities) July 31, 2008 (Other Cities) December 4, 2007 (Breckenridge) August 29, 2008 (Weatherford)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of

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administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system

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<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008 March 31, 2009</p>
WNA-NTX-IS	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE WNA Page 1 of 1 WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson: 10, 20, 25, 40, and 45. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the City monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the City an annual report verifying the past year's WNA collections or refunds. Supersedes Same Sheet Dated Sept. 22, 2000 (Weatherford), Oct. 31, 2000 (Willow Park, Aledo and Hudson Oaks), May 25, 2001 (Mineral Wells), July 26, 2001 (Graford and Millsap) Meters Read On and After April 28, 2006 (Other cities) June 5, 2006 (Breckenridge)</p>

RATE ADJUSTMENT PROVISIONS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17036

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17036

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
26732	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			
26736	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.5259	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26732	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17036

CUSTOMERS

RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
26736	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	ALED0 - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.4178	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule ORD-NTX-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): NTX cities approved (via operation of law) new rates (volumetric only) eff. 7/30/09, per COSA filing dated 4/1/09.

SERVICES

TYPE OF SERVICE	SERVICE DESCRIPTION
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	10_Residential Sales_North Texas Area - Incorpor. Graham, Jacksboro, Bryson, Min Wells, Graford, Millsap, Wthrford, Aledo, Huds Oaks, Willow P & Brecken

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17037

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/30/2009 ORIGINAL CONTRACT DATE: 07/30/2009 RECEIVED DATE: 08/14/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-NTX-IS-COSadj	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson and Weatherford, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Multiplied by: Tax Factor (.35/(1-.35) or .53846) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by</p>

GAS SERVICES DIVISION
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RATE SCHEDULE

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DESCRIPTION

weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment prior to its taking effect with the first billing cycle of August of each year. If a City takes no action within ninety (90) days, the proposed annual rate adjustment will be deemed approved by the City. A city or group of cities may retain a consultant to review the annual rate adjustment filing, and the Company agrees to reimburse the actual, aggregate cost of such review(s) up to an amount not to exceed \$15,000 per year. Any reimbursement of such costs will be recoverable through the Company's annual cost of service adjustment rate. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Texas Gas Service Company shall not appeal to the Railroad Commission of Texas the denial of its annual rate adjustment by one or more of the cities. However, such denial shall not preclude Texas Gas Service Company from filing a Statement of Intent to increase rates pursuant to section 104.102 of the Texas Utilities Code in such cities.

Initial Rate Schedule Meters Read On and After
November 30, 2007 (Other Cities)
December 4, 2007 (Breckenridge) August 29, 2008
(Weatherford)

1-INC-NTX-IS-COG

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas . B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component related fees (including franchise fees), and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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(a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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RATE SCHEDULE

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

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

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. Transition from the preceeding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Rate Schedules:
1-INC dated 8/24/01 (Weatherford, Willow Park, Aledo, Hudson Oaks, Mineral Wells, Grafrod, Millsap, Jacksboro, Bryson, Graham) 1 dated 6/23/2000 (Breckenridge)

Meters Read On

and After
April 28, 2006 (Other cities)
June 5, 2006 (Breckenridge)

1-INC-R-Weath-IS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE 1-INC-R North Texas Area Page 1 of 1
RIDER TO THE COST OF GAS CLAUSE, Rate Schedule 1-INC Applicable in the incorporated area of Weatherford, TX. The related fees referenced in Paragraph B, Section 1 of the Cost of Gas Clause shall expressly include the full amount necessary for the Company to recover the franchise fees payable upon both the base rates and gas costs of its General Service customers in accordance with the applicable franchise ordinance. Additionally, the franchise fees collected by the Company from its customers and to be remitted to the City in accordance with the franchise ordinance shall not be included as part of the Reconciliation Audit set forth in Paragraph B, Section 5 or the Cost of Gas Statement set forth in Paragraph G. Supersedes Same Sheet Dated September 25, 2001 (City of Weatherford)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17037

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Meters Read On and After
April 28, 2006 (City of Weatherford)

20-NTX-IS-Com

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 20
COMMERCIAL SERVICE RATE APPLICABILITY Applicable to commercial consumers and to
consumers not otherwise specifically provided for under any other rate schedule,
with monthly usage of 2,900 Ccf or less, on average. TERRITORY All customers in
the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral
Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. COST
OF SERVICE RATE During each monthly billing period: A Customer Charge of \$
22.50 plus All Ccf at \$ 0.21470 per Ccf OTHER ADJUSTMENTS Cost of Gas
Component: The basic rates for cost of service set forth above shall be increased
by the amount of the Cost of Gas Component for the billing month computed in
accordance with the provisions of Rate Schedule 1-INC. Weather Normalization
Adjustment: The billing shall reflect adjustments in accordance with the provisions
of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus
applicable taxes and fees (including franchise fees) related to above. CONDITIONS
1. Subject to all applicable laws and orders, and the Company's Rules and
Regulations on file with the regulatory authority. 2. Delivery of gas hereunder
may be interrupted or curtailed at the discretion of the Company, in case of
shortage or threatened shortage of gas supply from any cause whatsoever, to
conserve gas for residential and other consumers served. Supersedes Same Rate
Schedule dated Meters Read On and After July 31, 2008 (Other cities)
July 30, 2009 August 29, 2008 (Weatherford)

ORD-NTX-IS

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE ORD-NTX CITY
ORDINANCE LISTING APPLICABILITY Applicable to all gas sales customers. TERRITORY
All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow
Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson,
Texas. DESCRIPTION Per COSA filing dated 4/1/08, the following cities passed via
operation of law on 6/30/08 new gas sales rates effective 7/31/08. Per Statement of
Intent filed 7/25/08, Weatherford passed the COSA clause and the same rates that
are effective in the other cities. Weatherford rates are effective 8/29/08. City
approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date
of Gas Sales Rate Schedules Breckenridge Via Operation of Law 6/30/08 7/31/08
Graham Via Operation of Law 6/30/08 7/31/08 Jacksboro Via Operation of Law
6/30/08 7/31/08 Bryson Via Operation of Law 6/30/08 7/31/08 Mineral Wells Via
Operation of Law 6/30/08 7/31/08 Graford Via Operation of Law 6/30/08 7/31/08
Millsap Via Operation of Law 6/30/08 7/31/08 Weatherford Via Operation of Law
8/26/08 8/29/08 Aledo Via Operation of Law 6/30/08 7/31/08 Hudson Oaks Via
Operation of Law 6/30/08 7/31/08 Willow Park Via Operation of Law 6/30/08
7/31/08 Supersedes Same Rate Sheet Dated Effective November 30, 2007
(Other cities) July 31, 2008 (Other Cities) December 4, 2007 (Breckenridge)
August 29, 2008 (Weatherford)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural
gas master metered pipelines and pipeline facilities subject to the Commission's

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17037

RATE SCHEDULE

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pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas

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DESCRIPTION

master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNA-NTX-IS

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE WNA Page 1 of 1
WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson: 10, 20, 25, 40, and 45. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the City monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the City an annual report verifying the past year's WNA collections or refunds. Supersedes Same Sheet Dated Sept. 22, 2000 (Weatherford), Oct. 31, 2000 (Willow Park, Aledo and Hudson Oaks), May 25, 2001 (Mineral Wells), July 26, 2001 (Graford and Millsap)
Meters Read On and After
April 28, 2006 (Other cities)

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RATE SCHEDULE

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DESCRIPTION

June 5, 2006 (Breckenridge)

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17037

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
26732	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			
26736	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.5259	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26732	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			

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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>
26736	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	ALED0 - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.4178	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule ORD-NTX-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): NTX cities approved (via operation of law) new rates (volumetric only) eff. 7/30/09, per COSA filing dated 4/1/09.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	20_Commercial Sales_North Texas Area - Incorp. Graham, Jacksboro, Bryson, Min Wells, Graford, Millsap, Wthrford, Aledo, Huds Oaks, Willow P & Brecken

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 07/30/2009 ORIGINAL CONTRACT DATE: 07/30/2009 RECEIVED DATE: 08/14/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-NTX-IS-COSadj	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson and Weatherford, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Multiplied by: Tax Factor (.35/(1-.35) or .53846) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by</p>

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weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment prior to its taking effect with the first billing cycle of August of each year. If a City takes no action within ninety (90) days, the proposed annual rate adjustment will be deemed approved by the City. A city or group of cities may retain a consultant to review the annual rate adjustment filing, and the Company agrees to reimburse the actual, aggregate cost of such review(s) up to an amount not to exceed \$15,000 per year. Any reimbursement of such costs will be recoverable through the Company's annual cost of service adjustment rate. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Texas Gas Service Company shall not appeal to the Railroad Commission of Texas the denial of its annual rate adjustment by one or more of the cities. However, such denial shall not preclude Texas Gas Service Company from filing a Statement of Intent to increase rates pursuant to section 104.102 of the Texas Utilities Code in such cities.

Initial Rate Schedule Meters Read On and After
 November 30, 2007 (Other Cities)
 December 4, 2007 (Breckenridge) August 29, 2008
 (Weatherford)

1-INC-NTX-IS-COG

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas . B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component related fees (including franchise fees), and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:

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(a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are

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

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

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. Transition from the preceeding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Rate Schedules:
 1-INC dated 8/24/01 (Weatherford, Willow Park, Aledo, Hudson Oaks, Mineral Wells, Grafrod, Millsap, Jacksboro, Bryson, Graham) 1 dated 6/23/2000 (Breckenridge)
 Meters Read On and After
 April 28, 2006 (Other cities)
 June 5, 2006 (Breckenridge)

1-INC-R-Weath-IS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE 1-INC-R North Texas Area Page 1 of 1
 RIDER TO THE COST OF GAS CLAUSE, Rate Schedule 1-INC Applicable in the incorporated area of Weatherford, TX. The related fees referenced in Paragraph B, Section 1 of the Cost of Gas Clause shall expressly include the full amount necessary for the Company to recover the franchise fees payable upon both the base rates and gas costs of its General Service customers in accordance with the applicable franchise ordinance. Additionally, the franchise fees collected by the Company from its customers and to be remitted to the City in accordance with the franchise ordinance shall not be included as part of the Reconciliation Audit set forth in Paragraph B, Section 5 or the Cost of Gas Statement set forth in Paragraph G. Supersedes Same Sheet Dated September 25, 2001 (City of Weatherford)

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RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
	Meters Read On and After April 28, 2006 (City of Weatherford)
25-NTX-IS-LgCom	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 25 LARGE VOLUME COMMERCIAL SERVICE RATE APPLICABILITY Applicable to commercial customers and to customers not otherwise specifically provided for under any other rate schedule, with monthly usage greater than 2,900 Ccf, on average. TERRITORY All customers in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 400.00 plus All Ccf at \$ 0.19470 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served. Supersedes Same Rate Schedule dated Meters Read On and After July 31, 2008 (Other cities) July 30, 2009 August 29, 2008 (Weatherford)</p>
ORD-NTX-IS	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE ORD-NTX CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales customers. TERRITORY All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. DESCRIPTION Per COSA filing dated 4/1/08, the following cities passed via operation of law on 6/30/08 new gas sales rates effective 7/31/08. Per Statement of Intent filed 7/25/08, Weatherford passed the COSA clause and the same rates that are effective in the other cities. Weatherford rates are effective 8/29/08. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Breckenridge Via Operation of Law 6/30/08 7/31/08 Graham Via Operation of Law 6/30/08 7/31/08 Jacksboro Via Operation of Law 6/30/08 7/31/08 Bryson Via Operation of Law 6/30/08 7/31/08 Mineral Wells Via Operation of Law 6/30/08 7/31/08 Graford Via Operation of Law 6/30/08 7/31/08 Millsap Via Operation of Law 6/30/08 7/31/08 Weatherford Via Operation of Law 8/26/08 8/29/08 Aledo Via Operation of Law 6/30/08 7/31/08 Hudson Oaks Via Operation of Law 6/30/08 7/31/08 Willow Park Via Operation of Law 6/30/08 7/31/08 Supersedes Same Rate Sheet Dated Effective November 30, 2007 (Other cities) July 31, 2008 (Other Cities) December 4, 2007 (Breckenridge) August 29, 2008 (Weatherford)</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's</p>

GAS SERVICES DIVISION

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pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas

GAS SERVICES DIVISION
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DESCRIPTION

master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNA-NTX-IS

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE WNA Page 1 of 1
WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson: 10, 20, 25, 40, and 45. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the City monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the City an annual report verifying the past year's WNA collections or refunds. Supersedes Same Sheet Dated Sept. 22, 2000 (Weatherford), Oct. 31, 2000 (Willow Park, Aledo and Hudson Oaks), May 25, 2001 (Mineral Wells), July 26, 2001 (Graford and Millsap)
Meters Read On and
After
April 28, 2006 (Other cities)

GAS SERVICES DIVISION

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

June 5, 2006 (Breckenridge)

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17038

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
26732	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			
26736	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.5259	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26732	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			

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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>
26736	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	ALED0 - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.4178	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule ORD-NTX-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): NTX cities approved (via operation of law) new rates (volumetric only) eff. 7/30/09, per COSA filing dated 4/1/09.

SERVICES	
<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	25_Lg Vol Com Sales_North Texas Area - Incorpor. Graham, Jacksboro, Bryson, Min Wells, Graford, Millsap, Wthrford, Aledo, Huds Oaks, Willow P & Brecken

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17039

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 07/30/2009 ORIGINAL CONTRACT DATE: 07/30/2009 RECEIVED DATE: 08/14/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-NTX-IS-COSadj	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson and Weatherford, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Multiplied by: Tax Factor (.35/(1-.35) or .53846) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by</p>

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weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service. D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment prior to its taking effect with the first billing cycle of August of each year. If a City takes no action within ninety (90) days, the proposed annual rate adjustment will be deemed approved by the City. A city or group of cities may retain a consultant to review the annual rate adjustment filing, and the Company agrees to reimburse the actual, aggregate cost of such review(s) up to an amount not to exceed \$15,000 per year. Any reimbursement of such costs will be recoverable through the Company's annual cost of service adjustment rate. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Texas Gas Service Company shall not appeal to the Railroad Commission of Texas the denial of its annual rate adjustment by one or more of the cities. However, such denial shall not preclude Texas Gas Service Company from filing a Statement of Intent to increase rates pursuant to section 104.102 of the Texas Utilities Code in such cities. Initial Rate Schedule Meters Read On and After
November 30, 2007 (Other Cities)
December 4, 2007 (Breckenridge) August 29, 2008
(Weatherford)

1-INC-NTX-IS-COG

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-INC COST OF GAS
CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general
service rate schedules of Texas Gas Service Company (The Company) in the
incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells,
Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas . B.
DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation
under this clause, consisting of the commodity cost, a reconciliation component
related fees (including franchise fees), and other purchased gas expenses. 2.
Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.
3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from
its suppliers or the estimated weighted average cost for gas purchased by the
Company from all sources where applicable. Such cost shall include not only the
purchase cost of natural gas, but shall also include all reasonable fees for
services such as gathering, treating, processing, transportation, capacity and/or
supply reservation fees, storage, balancing, and swing services necessary for the
movement of gas to the Company's citygate delivery points. The Cost of Purchased
Gas shall also include gains or losses from the utilization of natural gas
financial instruments that are executed by the Company for the purpose of
mitigating high prices and price volatility. 4. Reconciliation Component - The
amount to be returned to or recovered from customers each month from December
through August as a result of the Reconciliation Audit. Reconciliation Audit - An
annual review of the Company's books and records for each twelve month period
ending with the production month of August to determine the amount of over or under
collection occurring during such twelve month period. The audit shall determine:

GAS SERVICES DIVISION

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RATE SCHEDULE

SCHEDULE IDDESCRIPTION

(a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are

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RATE SCHEDULE

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DESCRIPTION

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

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

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. Transition from the preceeding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Rate Schedules:

- 1-INC dated 8/24/01 (Weatherford, Willow Park, Aledo, Hudson Oaks, Mineral Wells, Grafrod, Millsap, Jacksboro, Bryson, Graham) 1 dated 6/23/2000 (Breckenridge)

Meters Read On

and After

- April 28, 2006 (Other cities)
- June 5, 2006 (Breckenridge)

1-INC-R-Weath-IS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE 1-INC-R North Texas Area Page 1 of 1
 RIDER TO THE COST OF GAS CLAUSE, Rate Schedule 1-INC Applicable in the incorporated area of Weatherford, TX. The related fees referenced in Paragraph B, Section 1 of the Cost of Gas Clause shall expressly include the full amount necessary for the Company to recover the franchise fees payable upon both the base rates and gas costs of its General Service customers in accordance with the applicable franchise ordinance. Additionally, the franchise fees collected by the Company from its customers and to be remitted to the City in accordance with the franchise ordinance shall not be included as part of the Reconciliation Audit set forth in Paragraph B, Section 5 or the Cost of Gas Statement set forth in Paragraph G. Supersedes Same Sheet Dated September 25, 2001 (City of Weatherford)

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TARIFF CODE: DS RRC TARIFF NO: 17039

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
30-NTX-IS-Ind	<p>Meters Read On and After April 28, 2006 (City of Weatherford)</p> <p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 30 INDUSTRIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government, with monthly usage of 2,900 Ccf or less, on average. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Divisions E and J - Utility and Government - facilities generating power for resale only. TERRITORY All customers in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 50.00 plus All Ccf at \$ 0.17770 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Rate Schedule dated Meters Read On and After July 31, 2008 (Other cities) July 30, 2009 August 29, 2008 (Weatherford)</p>
ORD-NTX-IS	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE ORD-NTX CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales customers. TERRITORY All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. DESCRIPTION Per COSA filing dated 4/1/08, the following cities passed via operation of law on 6/30/08 new gas sales rates effective 7/31/08. Per Statement of Intent filed 7/25/08, Weatherford passed the COSA clause and the same rates that are effective in the other cities. Weatherford rates are effective 8/29/08. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Breckenridge Via Operation of Law 6/30/08 7/31/08 Graham Via Operation of Law 6/30/08 7/31/08 Jacksboro Via Operation of Law 6/30/08 7/31/08 Bryson Via Operation of Law 6/30/08 7/31/08 Mineral Wells Via Operation of Law 6/30/08 7/31/08 Graford Via Operation of Law 6/30/08 7/31/08 Millsap Via Operation of Law 6/30/08 7/31/08 Weatherford Via Operation of Law 8/26/08 8/29/08 Aledo Via Operation of Law 6/30/08 7/31/08 Hudson Oaks Via Operation of Law 6/30/08 7/31/08 Willow Park Via Operation of Law 6/30/08 7/31/08 Supersedes Same Rate Sheet Dated Effective November 30, 2007 (Other cities) July 31, 2008 (Other Cities) December 4, 2007 (Breckenridge) August 29, 2008 (Weatherford)</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against</p>

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission

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shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

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>
26732	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			
26736	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.5259	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26732	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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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>
26736	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	ALED0 - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.4178	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule ORD-NTX-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): NTX cities approved (via operation of law) new rates (volumetric only) eff. 7/30/09, per COSA filing dated 4/1/09.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	30_Industrial Sales_North Texas Area - Incorp. Graham, Jacksboro, Bryson, Min Wells, Graford, Millsap, Wthrford, Aledo, Huds Oaks, Willow P & Brecken

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 07/30/2009 ORIGINAL CONTRACT DATE: 07/30/2009 RECEIVED DATE: 08/14/2009
GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-NTX-IS-COSadj	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson and Weatherford, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Multiplied by: Tax Factor (.35/(1-.35) or .53846) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

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weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service. D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment prior to its taking effect with the first billing cycle of August of each year. If a City takes no action within ninety (90) days, the proposed annual rate adjustment will be deemed approved by the City. A city or group of cities may retain a consultant to review the annual rate adjustment filing, and the Company agrees to reimburse the actual, aggregate cost of such review(s) up to an amount not to exceed \$15,000 per year. Any reimbursement of such costs will be recoverable through the Company's annual cost of service adjustment rate. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Texas Gas Service Company shall not appeal to the Railroad Commission of Texas the denial of its annual rate adjustment by one or more of the cities. However, such denial shall not preclude Texas Gas Service Company from filing a Statement of Intent to increase rates pursuant to section 104.102 of the Texas Utilities Code in such cities. Initial Rate Schedule Meters Read On and After
November 30, 2007 (Other Cities)
December 4, 2007 (Breckenridge) August 29, 2008
(Weatherford)

1-INC-NTX-IS-COG

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-INC COST OF GAS
CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general
service rate schedules of Texas Gas Service Company (The Company) in the
incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells,
Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas . B.
DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation
under this clause, consisting of the commodity cost, a reconciliation component
related fees (including franchise fees), and other purchased gas expenses. 2.
Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.
3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from
its suppliers or the estimated weighted average cost for gas purchased by the
Company from all sources where applicable. Such cost shall include not only the
purchase cost of natural gas, but shall also include all reasonable fees for
services such as gathering, treating, processing, transportation, capacity and/or
supply reservation fees, storage, balancing, and swing services necessary for the
movement of gas to the Company's citygate delivery points. The Cost of Purchased
Gas shall also include gains or losses from the utilization of natural gas
financial instruments that are executed by the Company for the purpose of
mitigating high prices and price volatility. 4. Reconciliation Component - The
amount to be returned to or recovered from customers each month from December
through August as a result of the Reconciliation Audit. Reconciliation Audit - An
annual review of the Company's books and records for each twelve month period
ending with the production month of August to determine the amount of over or under
collection occurring during such twelve month period. The audit shall determine:

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17040

RATE SCHEDULESCHEDULE IDDESCRIPTION

(a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17040

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DESCRIPTION

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

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

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. Transition from the preceeding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Rate Schedules:
1-INC dated 8/24/01 (Weatherford, Willow Park, Aledo, Hudson Oaks, Mineral Wells, Grafrod, Millsap, Jacksboro, Bryson, Graham) 1 dated 6/23/2000 (Breckenridge)

Meters Read On

and After
April 28, 2006 (Other cities)
June 5, 2006 (Breckenridge)

1-INC-R-Weath-IS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE 1-INC-R North Texas Area Page 1 of 1
RIDER TO THE COST OF GAS CLAUSE, Rate Schedule 1-INC Applicable in the incorporated area of Weatherford, TX. The related fees referenced in Paragraph B, Section 1 of the Cost of Gas Clause shall expressly include the full amount necessary for the Company to recover the franchise fees payable upon both the base rates and gas costs of its General Service customers in accordance with the applicable franchise ordinance. Additionally, the franchise fees collected by the Company from its customers and to be remitted to the City in accordance with the franchise ordinance shall not be included as part of the Reconciliation Audit set forth in Paragraph B, Section 5 or the Cost of Gas Statement set forth in Paragraph G. Supersedes Same Sheet Dated September 25, 2001 (City of Weatherford)

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17040

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Meters Read On and After
April 28, 2006 (City of Weatherford)

35-NTX-IS-LgInd

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 35 LARGE VOLUME INDUSTRIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government, with monthly usage greater than 2,900 Ccf, on average. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Divisions E and J - Utility and Government - facilities generating power for Resale only. TERRITORY All customers in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 400.00 plus All Ccf at \$ 0.15770 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Rate Schedule dated Meters Read On and After July 31, 2008 (Other cities) July 30, 2009 August 29, 2008 (Weatherford)

ORD-NTX-IS

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE ORD-NTX CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales customers. TERRITORY All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. DESCRIPTION Per COSA filing dated 4/1/08, the following cities passed via operation of law on 6/30/08 new gas sales rates effective 7/31/08. Per Statement of Intent filed 7/25/08, Weatherford passed the COSA clause and the same rates that are effective in the other cities. Weatherford rates are effective 8/29/08. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Breckenridge Via Operation of Law 6/30/08 7/31/08 Graham Via Operation of Law 6/30/08 7/31/08 Jacksboro Via Operation of Law 6/30/08 7/31/08 Bryson Via Operation of Law 6/30/08 7/31/08 Mineral Wells Via Operation of Law 6/30/08 7/31/08 Graford Via Operation of Law 6/30/08 7/31/08 Millsap Via Operation of Law 6/30/08 7/31/08 Weatherford Via Operation of Law 8/26/08 8/29/08 Aledo Via Operation of Law 6/30/08 7/31/08 Hudson Oaks Via Operation of Law 6/30/08 7/31/08 Willow Park Via Operation of Law 6/30/08 7/31/08 Supersedes Same Rate Sheet Dated Effective November 30, 2007 (Other cities) July 31, 2008 (Other Cities) December 4, 2007 (Breckenridge) August 29, 2008 (Weatherford)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against

GAS SERVICES DIVISION

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operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6)

Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission

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shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 17040

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
26732	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			
26736	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.5259	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26732	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17040

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
26736	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	ALED0 - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.4178	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule ORD-NTX-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): NTX cities approved (via operation of law) new rates (volumetric only) eff. 7/30/09, per COSA filing dated 4/1/09.

SERVICES	
<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	35_Lg Vol Ind Sales_North Texas Area - Incorpor. Graham, Jacksboro, Bryson, Min Wells, Graford, Millsap, Wthrford, Aledo, Huds Oaks, Willow P & Brecken

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17041

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 07/30/2009 ORIGINAL CONTRACT DATE: 07/30/2009 RECEIVED DATE: 08/14/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-NTX-IS-COSadj	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson and Weatherford, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Multiplied by: Tax Factor (.35/(1-.35) or .53846) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by</p>

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weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service. D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment prior to its taking effect with the first billing cycle of August of each year. If a City takes no action within ninety (90) days, the proposed annual rate adjustment will be deemed approved by the City. A city or group of cities may retain a consultant to review the annual rate adjustment filing, and the Company agrees to reimburse the actual, aggregate cost of such review(s) up to an amount not to exceed \$15,000 per year. Any reimbursement of such costs will be recoverable through the Company's annual cost of service adjustment rate. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Texas Gas Service Company shall not appeal to the Railroad Commission of Texas the denial of its annual rate adjustment by one or more of the cities. However, such denial shall not preclude Texas Gas Service Company from filing a Statement of Intent to increase rates pursuant to section 104.102 of the Texas Utilities Code in such cities. Initial Rate Schedule Meters Read On and After
November 30, 2007 (Other Cities)
December 4, 2007 (Breckenridge) August 29, 2008
(Weatherford)

1-INC-NTX-IS-COG

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-INC COST OF GAS
CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general
service rate schedules of Texas Gas Service Company (The Company) in the
incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells,
Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas . B.
DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation
under this clause, consisting of the commodity cost, a reconciliation component
related fees (including franchise fees), and other purchased gas expenses. 2.
Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.
3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from
its suppliers or the estimated weighted average cost for gas purchased by the
Company from all sources where applicable. Such cost shall include not only the
purchase cost of natural gas, but shall also include all reasonable fees for
services such as gathering, treating, processing, transportation, capacity and/or
supply reservation fees, storage, balancing, and swing services necessary for the
movement of gas to the Company's citygate delivery points. The Cost of Purchased
Gas shall also include gains or losses from the utilization of natural gas
financial instruments that are executed by the Company for the purpose of
mitigating high prices and price volatility. 4. Reconciliation Component - The
amount to be returned to or recovered from customers each month from December
through August as a result of the Reconciliation Audit. Reconciliation Audit - An
annual review of the Company's books and records for each twelve month period
ending with the production month of August to determine the amount of over or under
collection occurring during such twelve month period. The audit shall determine:

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17041

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(a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are

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

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

H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. Transition from the preceeding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Rate Schedules:

- 1-INC dated 8/24/01 (Weatherford, Willow Park, Aledo, Hudson Oaks, Mineral Wells, Grafrod, Millsap, Jacksboro, Bryson, Graham) 1 dated 6/23/2000 (Breckenridge)

Meters Read On

and After

- April 28, 2006 (Other cities)
- June 5, 2006 (Breckenridge)

1-INC-R-Weath-IS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE 1-INC-R North Texas Area Page 1 of 1
RIDER TO THE COST OF GAS CLAUSE, Rate Schedule 1-INC Applicable in the incorporated area of Weatherford, TX. The related fees referenced in Paragraph B, Section 1 of the Cost of Gas Clause shall expressly include the full amount necessary for the Company to recover the franchise fees payable upon both the base rates and gas costs of its General Service customers in accordance with the applicable franchise ordinance. Additionally, the franchise fees collected by the Company from its customers and to be remitted to the City in accordance with the franchise ordinance shall not be included as part of the Reconciliation Audit set forth in Paragraph B, Section 5 or the Cost of Gas Statement set forth in Paragraph G. Supersedes Same Sheet Dated September 25, 2001 (City of Weatherford)

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GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17041

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Meters Read On and After
April 28, 2006 (City of Weatherford)

40-NTX-IS-PubA

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 40 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts, with monthly usage of 2,900 Ccf or less, on average. TERRITORY All customers in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 40.00 plus All Ccf at \$ 0.20760 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Supersedes Same Rate Schedule dated Meters Read On and After July 31, 2008 (Other cities) July 30, 2009 August 29, 2008 (Weatherford)

ORD-NTX-IS

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE ORD-NTX CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales customers. TERRITORY All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas. DESCRIPTION Per COSA filing dated 4/1/08, the following cities passed via operation of law on 6/30/08 new gas sales rates effective 7/31/08. Per Statement of Intent filed 7/25/08, Weatherford passed the COSA clause and the same rates that are effective in the other cities. Weatherford rates are effective 8/29/08. City approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Breckenridge Via Operation of Law 6/30/08 7/31/08 Graham Via Operation of Law 6/30/08 7/31/08 Jacksboro Via Operation of Law 6/30/08 7/31/08 Bryson Via Operation of Law 6/30/08 7/31/08 Mineral Wells Via Operation of Law 6/30/08 7/31/08 Graford Via Operation of Law 6/30/08 7/31/08 Millsap Via Operation of Law 6/30/08 7/31/08 Weatherford Via Operation of Law 8/26/08 8/29/08 Aledo Via Operation of Law 6/30/08 7/31/08 Hudson Oaks Via Operation of Law 6/30/08 7/31/08 Willow Park Via Operation of Law 6/30/08 7/31/08 Supersedes Same Rate Sheet Dated Effective November 30, 2007 (Other cities) July 31, 2008 (Other Cities) December 4, 2007 (Breckenridge) August 29, 2008 (Weatherford)

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later

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than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008
March 31, 2009

WNA-NTX-IS

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE WNA Page 1 of 1
WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson: 10, 20, 25, 40, and 45. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the City monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the City an annual report verifying the past year's WNA collections or refunds. Supersedes Same Sheet Dated Sept. 22, 2000 (Weatherford), Oct. 31, 2000 (Willow Park, Aledo and Hudson Oaks), May 25, 2001 (Mineral Wells), July 26, 2001 (Graford and Millsap)
Meters Read On and After

GAS SERVICES DIVISION

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TARIFF CODE: DS RRC TARIFF NO: 17041

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DESCRIPTION

April 28, 2006 (Other cities)

June 5, 2006 (Breckenridge)

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17041

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
26732	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			
26736	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.5259	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26732	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17041

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
26736	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	ALED0 - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.4178	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule ORD-NTX-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): NTX cities approved (via operation of law) new rates (volumetric only) eff. 7/30/09, per COSA filing dated 4/1/09.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	40_Pub Auth Sales_North Texas Area - Incorpor. Graham, Jacksboro, Bryson, Min Wells, Graford, Millsap, Wthrford, Aledo, Huds Oaks, Willow P & Brecken

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17042

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 07/30/2009 ORIGINAL CONTRACT DATE: 07/30/2009 RECEIVED DATE: 08/14/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-NTX-IS-COSadj	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson and Weatherford, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. The actual percentage change in the revenue requirement after gross-ups in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement after gross-ups is computed by comparing the revenue requirement after gross-ups for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Multiplied by: Tax Factor (.35/(1-.35) or .53846) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections D.1 through D.4 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by</p>

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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DESCRIPTION

weather-normalized volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment prior to its taking effect with the first billing cycle of August of each year. If a City takes no action within ninety (90) days, the proposed annual rate adjustment will be deemed approved by the City. A city or group of cities may retain a consultant to review the annual rate adjustment filing, and the Company agrees to reimburse the actual, aggregate cost of such review(s) up to an amount not to exceed \$15,000 per year. Any reimbursement of such costs will be recoverable through the Company's annual cost of service adjustment rate. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Texas Gas Service Company shall not appeal to the Railroad Commission of Texas the denial of its annual rate adjustment by one or more of the cities. However, such denial shall not preclude Texas Gas Service Company from filing a Statement of Intent to increase rates pursuant to section 104.102 of the Texas Utilities Code in such cities.

Initial Rate Schedule Meters Read On and After
November 30, 2007 (Other Cities)
December 4, 2007 (Breckenridge) August 29, 2008
(Weatherford)

1-INC-NTX-IS-COG

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas . B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component related fees (including franchise fees), and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine:

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(a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 8. General Service Customers - those customers served under general service rate schedules. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17042

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement. H. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any. 5. Transition from the preceeding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December. Supersedes Rate Schedules: 1-INC dated 8/24/01 (Weatherford, Willow Park, Aledo, Hudson Oaks, Mineral Wells, Grafrod, Millsap, Jacksboro, Bryson, Graham) 1 dated 6/23/2000 (Breckenridge) Meters Read On and After April 28, 2006 (Other cities) June 5, 2006 (Breckenridge)

1-INC-R-Weath-IS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE 1-INC-R North Texas Area Page 1 of 1 RIDER TO THE COST OF GAS CLAUSE, Rate Schedule 1-INC Applicable in the incorporated area of Weatherford, TX. The related fees referenced in Paragraph B, Section 1 of the Cost of Gas Clause shall expressly include the full amount necessary for the Company to recover the franchise fees payable upon both the base rates and gas costs of its General Service customers in accordance with the applicable franchise ordinance. Additionally, the franchise fees collected by the Company from its customers and to be remitted to the City in accordance with the franchise ordinance shall not be included as part of the Reconciliation Audit set forth in Paragraph B, Section 5 or the Cost of Gas Statement set forth in Paragraph G. Supersedes Same Sheet Dated September 25, 2001 (City of Weatherford)

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

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TARIFF CODE: DS RRC TARIFF NO: 17042

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Meters Read On and After
April 28, 2006 (City of Weatherford)

45-NTX-IS-LgPubA TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 45 LARGE
VOLUME PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to all public and
parochial schools and colleges, and to all facilities operated by Governmental
agencies not specifically provided for in other rate schedules or special
contracts, with monthly usage greater than 2,900 Ccf, on average. TERRITORY All
customers in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow
Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson,
Texas. COST OF SERVICE RATE During each monthly billing period: A Customer
Charge of \$ 400.00 plus All Ccf at \$ 0.18760 per Ccf OTHER ADJUSTMENTS
Cost of Gas Component: The basic rates for cost of service set forth above shall
be increased by the amount of the Cost of Gas Component for the billing month
computed in accordance with the provisions of Rate Schedule 1-INC. Weather
Normalization Adjustment: The billing shall reflect adjustments in accordance with
the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.
Taxes: Plus applicable taxes and fees (including franchise fees) related to above.
CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules
and Regulations on file with the regulatory authority. 2. Delivery of gas
hereunder may be interrupted or curtailed at the discretion of the Company, in case
of shortage or threatened shortage of gas supply from any cause whatsoever, to
conserve gas for residential and other customers served. Supersedes Same Rate
Schedule dated Meters Read On and After July 31, 2008 (Other cities)
July 30, 2009 August 29, 2008 (Weatherford)

ORD-NTX-IS TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE ORD-NTX CITY
ORDINANCE LISTING APPLICABILITY Applicable to all gas sales customers. TERRITORY
All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow
Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson,
Texas. DESCRIPTION Per COSA filing dated 4/1/08, the following cities passed via
operation of law on 6/30/08 new gas sales rates effective 7/31/08. Per Statement of
Intent filed 7/25/08, Weatherford passed the COSA clause and the same rates that
are effective in the other cities. Weatherford rates are effective 8/29/08. City
approvals are as follows: City Ordinance # Date Ordinance Passed Effective Date
of Gas Sales Rate Schedules Breckenridge Via Operation of Law 6/30/08 7/31/08
Graham Via Operation of Law 6/30/08 7/31/08 Jacksboro Via Operation of Law
6/30/08 7/31/08 Bryson Via Operation of Law 6/30/08 7/31/08 Mineral Wells Via
Operation of Law 6/30/08 7/31/08 Graford Via Operation of Law 6/30/08 7/31/08
Millsap Via Operation of Law 6/30/08 7/31/08 Weatherford Via Operation of Law
8/26/08 8/29/08 Aledo Via Operation of Law 6/30/08 7/31/08 Hudson Oaks Via
Operation of Law 6/30/08 7/31/08 Willow Park Via Operation of Law 6/30/08
7/31/08 Supersedes Same Rate Sheet Dated Effective November 30, 2007
(Other cities) July 31, 2008 (Other Cities) December 4, 2007 (Breckenridge)
August 29, 2008 (Weatherford)

PSF-All-ISOS-PipeFee TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE
SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION
PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS
SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline
Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission
establishes a pipeline safety inspection fee, to be assessed annually against
operators of natural gas distribution pipelines and pipeline facilities and natural

**GAS SERVICES DIVISION
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gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later

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than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31, 2008
March 31, 2009

WNA-NTX-IS

TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE WNA Page 1 of 1
WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson: 10, 20, 25, 40, and 45. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the City monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the City an annual report verifying the past year's WNA collections or refunds. Supersedes Same Sheet Dated Sept. 22, 2000 (Weatherford), Oct. 31, 2000 (Willow Park, Aledo and Hudson Oaks), May 25, 2001 (Mineral Wells), July 26, 2001 (Graford and Millsap)
Meters Read On and After

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17042

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

April 28, 2006 (Other cities)

June 5, 2006 (Breckenridge)

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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TARIFF CODE: DS RRC TARIFF NO: 17042

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
26732	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			
26736	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.5259	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.5000	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26732	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26733	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26734	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - INC (NTX AREA at 4/28/06, previously Min Wells Svc Area)			
26735	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - INC (NTX AREA at 6/5/06, previously Breckenridge Svc Area)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17042

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
26736	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - INC (NTX AREA at 4/28/06, previously Graham Svc Area)			
26737	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26738	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - INC (NTX AREA at 4/28/06, previously Jacksboro Svc Area)			
26739	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	ALED0 - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26740	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26741	N	Ccf	\$.4178	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			
26742	N	Ccf	\$.3918	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - INC (NTX AREA at 4/28/06, previously Weatherford Svc Area)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule ORD-NTX-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): NTX cities approved (via operation of law) new rates (volumetric only) eff. 7/30/09, per COSA filing dated 4/1/09.

SERVICES	
<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	45_Lg Vol PubA Sales_North Texas Area - Incorpor. Graham, Jacksboro, Bryson, Min Wells, Graford, Millsap, Wthrford, Aledo, Huds Oaks, Willow P & Brecken

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17608

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17608

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17608

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC NV CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections. Supersedes Same Rate Sheet Dated Meters Read On and After January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPub AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPub AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17608

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

1-CTX-OS-COG

TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17608

RATE SCHEDULESCHEDULE IDDESCRIPTION

Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17608

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

1E-CPark-OS-Res

TEXAS GAS

SERVICE COMPANY

Central

Texas Service Area

RATE SCHEDULE 1E
RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.

TERRITORY

All customers in the unincorporated area of Cedar Park, Texas in the Central Texas Service Area.

COST OF SERVICE RATE

During each monthly billing period:

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17608

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

A customer charge per meter per month of \$7.75 plus
 All Ccf per monthly billing period @ \$.1579 per Ccf.

OTHER APPLICABLE SCHEDULES

In addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.

2. Residential service shall have priority in supply.

Initial Tariff Meters Read On and After
 November 22, 1993

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17608

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
26695	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			
26695	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			
26695	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			
26695	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			
26695	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			
26695	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17608

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 1E_Residential Sales_Central Tx Svc Area - Environs of Cedar Park, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17609

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/22/1993 ORIGINAL CONTRACT DATE: 11/22/1993 RECEIVED DATE: 04/09/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-CTX-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Central Texas Service Area COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Central Texas Service Area. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, and the revenue associated fees and taxes. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase/Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3) above), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17609

RATE SCHEDULESCHEDULE IDDESCRIPTION

authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate. E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 9% per annum compounded monthly; or (2) an amount equal to the outstanding under collected balance multiplied by interest of 9% per annum compounded monthly. F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above. G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the Cost of Gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17609

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

balances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination. I. QUARTERLY IMBALANCE REPORTS The Company shall file a Quarterly Report with the Regulatory Authority that provides information concerning imbalances created by the Company's transportation customers. The report is due 45 days after the close of each calendar quarter and shall contain the following information: 1. Monthly imbalances by supplier and the system total, 2. Cumulative imbalance by supplier and the system total, 3. Amount of cash transactions between the Company and gas supplier for each month, and 4. Calculation of the monthly WACOG for the Company for the Company gas supplies, including volume and prices. Supersedes Same Sheet Dated Meters Read On and After December 23, 2002 June 2, 2008

2E-CPark-OS-Com

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 2E COMMERCIAL SERVICE RATEAPPLICABILITYApplicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule.TERRITORYAll customers in the unincorporated area of Cedar Park, Texas in the Central Texas Service Area.COST OF SERVICE RATEDuring each monthly billing period: A customer charge per meter per month of \$11.75 plus All Ccf per monthly billing period @ \$.1595 per Ccf.COST OF GAS In addition to the Cost of Service set forth above, each customer's bill shall include the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.CONDITIONS1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Initial Tariff Meters Read On and After November 22, 1993

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17609

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17609

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billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

RCR-ENV-CTX-OS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-ENV RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = $\frac{CPRC}{NV}$ CPRC = Relocation costs for the current recovery period. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-ENV-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for rate schedules: 1D, 1E, 1Z, 2A, 2B, 2C, 2D, 2E, 2Z, 3A, 3B, 3C, 3Z, 4A, 4B, 4C, 4D, 4H, 4Z, CNG-1, C-1, T02A, T02B, T02C, T02Z, T03A, T03B, T03C, T03Z, T04A, T04B, T04C, T04H, T04Z, T0C-1, CNGT. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of a RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR

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collections. Supersedes Same Rate Sheet Dated Meters Read On and After
January 25, 2001 June 23, 2004

RCR-ENV-Rider-CTX-OS

TEXAS GAS SERVICE COMPANY
Central Texas Service Area
RATE SCHEDULE RCR-ENV-RIDER
RELOCATION COST RECOVERY RATE

A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to rate schedule RCR-ENV, shall be limited to gas sales and standard transport volumes and apply to the following rate schedules for the unincorporated areas of the Central Texas Service Area:

- | | |
|----------------------|----------------------|
| 1D-WLake-OS-Res | 4Z-CTXnoWLak-OS-PubA |
| 1E-CPark-OS-Res | CNG-1-CTX-ISOS |
| 1Z-Aus SunV-OS-Res | C-1-CTX-ISOS-Cogen |
| 2A-AusSunV-OS-SmCmAC | T02A-CTX-OS-SmCom AC |
| 2B-CTX-OS-LgCom | T02B-CTX-OS-LgCom |
| 2C-CTX-OS-LgCom AC | T02C-CTX-OS-LgCom AC |
| 2D-WLake-OS-Com | T02Z-CTX-OS-Com |
| 2E-CPark-OS-Com | T03A-CTX-OS-SmInd AC |
| 2Z-Aus SunV-OS-Com | T03B-CTX-OS-LgInd |
| 3A-CTX-OS-SmInd AC | T03C-CTX-OS-LgInd AC |
| 3B-CTX-OS-LgInd | T03Z-CTX-OS-Ind |
| 3C-CTX-OS-LgInd AC | T04A-CTX-OS-SmPub AC |
| 3Z-CTX-OS-Ind | T04B-CTX-OS-LgPubA |
| 4A-CTX-OS-SmPubA AC | T04C-CTX-OS-LgPub AC |
| 4B-CTX-OS-LgPubA | T04H-CTX-OS-PSSpHt |
| 4C-CTX-OS-LgPubA AC | T04Z-CTX-OS-PubA |
| 4D-WLake-OS-PubA | T0C-1-CTX-OS-Cogen |
| 4H-CTX-OS-PubSchSpHt | CNGT-CTX-OS-CNG |

B. CURRENT RCR RATE

Effective Date

RCR Rate

Meters Read On & After 12/02/08 (9th RCR Filing-Dckt #9833) \$ 0.0096

per Ccf

Total RCR Rate

\$ 0.0096 per Ccf

All applicable fees and taxes will be added to the above rate.

Supersedes Same Sheet Dated

Meters Read On and After

September 17, 2008

December 02, 2008

RATE ADJUSTMENT PROVISIONS

None

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CUSTOMERS

RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
26695	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.5501	03/31/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			
26695	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.4786	04/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			
26695	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.4815	06/01/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			
26695	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			
26695	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			
26695	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - ENV (CENTRAL TX SVC AREA)			
26696	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - ENV (CENTRAL TX SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9833 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 17609

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
	<u>OTHER TYPE DESCRIPTION</u>
M	Other(with detailed explanation)
	<u>OTHER TYPE DESCRIPTION</u> 2E_Commercial Sales_Central Tx Svc Area - Environs of Cedar Park, TX

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2008 ORIGINAL CONTRACT DATE: 04/30/2008 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105,</p>

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RATE SCHEDULE

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shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

1-KyleBuda-OS-COG

TEXAS GAS SERVICE COMPANY
RATE SCHEDULE NO. 1
Kyle/Buda Service Area - Central Texas Region

COST OF GAS CLAUSE

A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Kyle/Buda Service Area.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, the Relocation Cost Recovery Rate and the revenue associated fees (including franchise fees) and taxes.

GAS SERVICES DIVISION

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2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.
3. Cost of Purchased Gas - The cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period, including prudently incurred gains or losses on natural gas financial instruments (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.
6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.
7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, including prudently incurred gains or losses incurred on natural gas financial instruments, (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s).
8. Relocation Cost Recovery Rate - The rate per billing unit pursuant to Rate Schedule RCR.

C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for

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the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Relocation Cost Recovery Rate; (f) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (g) the Cost of Gas calculation; and (h) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers

GAS SERVICES DIVISION
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and related Cost of Gas clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Initial Rate Meters
Read On and After

April 30, 2008

1Z-KyleBuda-OS-Res

TEXAS GAS SERVICE COMPANY
Kyle/Buda Service Area - Central Texas Region
RATE SCHEDULE 1Z
RESIDENTIAL SERVICE RATE

APPLICABILITY Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.

TERRITORY All customers in the unincorporated areas of Kyle and Buda, Texas.

COST OF SERVICE RATE

During each monthly billing period:
A Customer Charge per meter/month of \$11.50 plus -
All Ccf per monthly billing period @ \$.14545 per Ccf

OTHER ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following:
Cost of Gas Component: The basic rate for cost of service set forth above shall be adjusted by the amount of the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1.

Taxes: Plus applicable taxes related to above.

CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Residential service shall have priority in supply.

Initial Rate Meters Read
on and After

April 30, 2008

GAS SERVICES DIVISION
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TARIFF CODE: DS RRC TARIFF NO: 19848

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>
28971	N	Ccf	\$.5352	03/31/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			
28971	N	Ccf	\$.4564	04/30/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			
28971	N	Ccf	\$.4812	06/01/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			
28971	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			
28971	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			
28971	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other (with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	1Z_Residential Sales_KyleBuda Tx Svc Area - Environs of Kyle and Buda, TX

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 19849

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2008 ORIGINAL CONTRACT DATE: 04/30/2008 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-KyleBuda-OS-COG	<p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE NO. 1 Kyle/Buda Service Area - Central Texas Region</p> <p>COST OF GAS CLAUSE</p> <p>A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of its Kyle/Buda Service Area.</p> <p>B. DEFINITIONS</p> <p>1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, the Relocation Cost Recovery Rate and the revenue associated fees (including franchise fees) and taxes.</p> <p>2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.</p> <p>3. Cost of Purchased Gas - The cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility. No costs of natural gas financial instruments with companies affiliated with Texas Gas Service shall be included.</p> <p>4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.</p> <p>5. Reconciliation Audit - An annual review of the Company's books and records for each twelve-month period ending with the accounting month of June to determine the amount of over or under collection occurring during such twelve-month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company to provide service to its general service customers during the period, including prudently incurred gains or losses on natural gas financial instruments(b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, to remove lost and unaccounted for gas costs during the period for volumes in excess of five (5) percent of purchases.</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 19849

RATE SCHEDULESCHEDULE IDDESCRIPTION

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, including prudently incurred gains or losses incurred on natural gas financial instruments, (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, and (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s). 8. Relocation Cost Recovery Rate - The rate per billing unit pursuant to Rate Schedule RCR.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly.

F. SURCHARGE OR REFUND PROCEDURES In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 19849

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DESCRIPTION

Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Interest on Funds, above.

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the appropriate Relocation Cost Recovery Rate; (f) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (g) the Cost of Gas calculation; and (h) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

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

Initial Rate Meters
Read On and After

April 30, 2008

2Z-KyleBuda-OS-Com

TEXAS GAS SERVICE COMPANY
Kyle/Buda Service Area - Central Texas Region
RATE SCHEDULE 2Z

COMMERCIAL SERVICE RATE

APPLICABILITY Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule. TERRITORY All customers in the unincorporated areas of Kyle and Buda, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge per meter/month of \$11.50 plus All Ccf per monthly billing period @ \$.14545 per Ccf. OTHER ADJUSTMENTS In addition to the Cost of Service set forth above, each customer's bill shall include the following: Cost of Gas Component: The basic rate for cost of service set forth above shall be adjusted by the amount of the Cost of Gas for the billing month determined in accordance with the provisions of the Cost of

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 19849

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
	<p>Gas Clause, Rate Schedule 1. Taxes: Plus applicable taxes related to above. CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. Initial Rate Meters Read On and After April 30, 2008</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the</p>

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 19849

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 19849

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
28971	N	Ccf	\$.5352	03/31/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			
28971	N	Ccf	\$.4564	04/30/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			
28971	N	Ccf	\$.4812	06/01/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			
28971	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			
28971	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			
28971	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE/BUDA - ENV			

REASONS FOR FILING

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

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	2Z_Commercial Sales_KyleBuda Tx Svc Area - Environs of Kyle and Buda, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20406

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 11/04/0008 ORIGINAL CONTRACT DATE: 11/04/2008 RECEIVED DATE: 04/07/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
10-BorgSk-IS-Res	<p>TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 10 RESIDENTIAL SERVICE RATE APPLICABILITY Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes. TERRITORY All customers in the incorporated areas of Borger and Skellytown, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 12.50 plus All Ccf at \$ 0.0560 per Ccf OTHER ADJUSTMENTS Cost of Gas: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. This Rate Schedule replaces Residential Rate Schedules: Meters Read On and After 10 dated 7/1/07 (Borger) and 11 dated 7/1/08 (Skellytown) November 4, 2008</p>
PSF-All-ISOS-PipeFee	<p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20406

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20406

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009</p>
WNA BorgSk-IS	<p>TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Borger and Skellytown, Texas: 10, 20, 40 and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over- collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial Rate Schedule Meters Read On and After November 4, 2008</p>
1-1-BorgSk-IS-COSAdj	<p>TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all gas sales rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Borger and Skellytown, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing at least thirty (30) days prior to the first billing cycle of July each year at which time rate adjustments will become effective. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the prior calendar year. The rate adjustment will be spread evenly across all weather normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing gas sales rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account Nos. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20406

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. **Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items*** Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes ***These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.

3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (remaining unamortized credit) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (****) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each gas sales rate code. **** The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect each year for meters read on or after the first billing cycle of July. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. This Rate Schedule replaces Cost of Service Adj. Clause Meters Read On and After 1-1 dated 7/29/92 (Borger) and 5/30/90 (Skellytown) November 4, 2008

1-INC-BorgSk-IS-COG

TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Borger and Skellytown, Texas. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees (including franchise fees) and taxes. 2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year. 3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the

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weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December

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billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account an amount equal to the average balance multiplied by six percent (6%). F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement. G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (d). This report shall be filed concurrently with the Cost of Gas Statement for December. This Rate Schedule replaces Cost of Gas Clause: Meters Read On and After 1-INC dated 8/24/01 (Borger) and 8/24/01 (Skellytown) November 4, 2008

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>
9016	N	Ccf	\$.4408	03/31/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4348	03/31/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4230	04/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4172	04/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4414	06/01/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4354	06/01/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4807	06/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4743	06/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4885	07/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4821	07/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.3059	08/28/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.3318	08/28/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: Resolution #R-019-08
 AMENDMENT(EXPLAIN):
 OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	10_Residential Sales_Borger/Skellytown Svc Area - Incorp. Borger & Skellytown, TX

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DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 11/04/0008 ORIGINAL CONTRACT DATE: 11/04/2008 RECEIVED DATE: 04/07/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-BorgSk-IS-COSAdj	<p>TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE</p> <p>A. APPLICABILITY This Cost of Service Adjustment Clause applies to all gas sales rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Borger and Skellytown, Texas.</p> <p>B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing at least thirty (30) days prior to the first billing cycle of July each year at which time rate adjustments will become effective.</p> <p>C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the prior calendar year. The rate adjustment will be spread evenly across all weather normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing gas sales rates for each rate code.</p> <p>1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account Nos. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. **Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.</p> <p>2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items*** Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes ***These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.</p> <p>3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (remaining unamortized credit)</p> <p>4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the</p>

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amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (****) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each gas sales rate code. **** The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect each year for meters read on or after the first billing cycle of July. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. This Rate Schedule replaces Cost of Service Adj. Clause Meters Read On and After 1-1 dated 7/29/92 (Borger) and 5/30/90 (Skellytown) November 4, 2008

1-INC-BorgSk-IS-COG

TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Borger and Skellytown, Texas. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees (including franchise fees) and taxes. 2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year. 3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company

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as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account an amount equal to the average balance multiplied by six percent (6%). F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to

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review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement. G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (d). This report shall be filed concurrently with the Cost of Gas Statement for December. This Rate Schedule replaces Cost of Gas Clause: Meters Read On and After 1-INC dated 8/24/01 (Borger) and 8/24/01 (Skellytown) November 4, 2008

20-BorgSK-IS-Com

TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 20 COMMERCIAL SERVICE RATE APPLICABILITY Applicable to all commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule. TERRITORY All customers in the incorporated areas of Borger and Skellytown, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 30.00 plus All Ccf at \$ 0.1212 per Ccf OTHER ADJUSTMENTS Cost of Gas: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS Subject to applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. This Rate Schedule replaces Commercial Rate Schedules: Meters Read On and After 20 dated 7/1/07 (Borger) and 21 dated 7/1/08 (Skellytown) November 4, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to

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the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected

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from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
March 31, 2009

WNA BorgSk-IS

TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE WNA
WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Borger and Skellytown, Texas: 10, 20, 40 and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial Rate Schedule Meters Read On and After
November 4, 2008

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20407

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
9016	N	Ccf	\$.4408	03/31/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4348	03/31/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4230	04/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4172	04/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4414	06/01/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4354	06/01/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4807	06/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4743	06/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4885	07/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4821	07/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.3059	08/28/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.3318	08/28/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: Resolution #R-019-08

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	20_Commercial Sales_Borger/Skellytown Svc Area - Incorpor. Borger & Skellytown, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20408

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 11/04/0008 ORIGINAL CONTRACT DATE: 11/04/2008 RECEIVED DATE: 04/07/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-BorgSk-IS-COSAdj	<p>TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE</p> <p>A. APPLICABILITY This Cost of Service Adjustment Clause applies to all gas sales rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Borger and Skellytown, Texas.</p> <p>B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing at least thirty (30) days prior to the first billing cycle of July each year at which time rate adjustments will become effective.</p> <p>C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the prior calendar year. The rate adjustment will be spread evenly across all weather normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing gas sales rates for each rate code.</p> <p>1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account Nos. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. **Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.</p> <p>2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items*** Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes ***These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.</p> <p>3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (remaining unamortized credit)</p> <p>4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the</p>

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20408

RATE SCHEDULE

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DESCRIPTION

amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (****) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each gas sales rate code. **** The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect each year for meters read on or after the first billing cycle of July. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. This Rate Schedule replaces Cost of Service Adj. Clause Meters Read On and After 1-1 dated 7/29/92 (Borger) and 5/30/90 (Skellytown) November 4, 2008

1-INC-BorgSk-IS-COG

TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Borger and Skellytown, Texas. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees (including franchise fees) and taxes. 2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year. 3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20408

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as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account an amount equal to the average balance multiplied by six percent (6%). F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to

GAS SERVICES DIVISION

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20408

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review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement. G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (d). This report shall be filed concurrently with the Cost of Gas Statement for December. This Rate Schedule replaces Cost of Gas Clause: Meters Read On and After 1-INC dated 8/24/01 (Borger) and 8/24/01 (Skellytown) November 4, 2008

40-BorgSk-IS-PubA

TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 40 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to public authority customers not eligible for rate schedule 48. TERRITORY All customers in the incorporated areas of Borger and Skellytown, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 20.00 plus All Ccf at \$ 0.1112 per Ccf OTHER ADJUSTMENTS Cost of Gas: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. CONDITIONS Subject to applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. This Rate Schedule replaces Public Authority Rate Schedules: Meters Read On and After 40 dated 7/1/07 (Borger) and 41 dated 7/1/08 (Skellytown) November 4, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20408

RATE SCHEDULE

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DESCRIPTION

the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20408

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
WNA BorgSk-IS	<p>from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009</p> <p>TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Borger and Skellytown, Texas: 10, 20, 40 and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial Rate Schedule Meters Read On and After November 4, 2008</p>

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20408

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
9016	N	Ccf	\$.4408	03/31/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4348	03/31/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4230	04/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4172	04/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4414	06/01/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4354	06/01/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4807	06/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4743	06/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4885	07/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4821	07/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.3059	08/28/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.3318	08/28/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: Resolution #R-019-08

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	40_Public Authority Sales_Borger/Skellytown Svc Area - Incorp. Borger & Skellytown, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20409

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 11/04/0008 ORIGINAL CONTRACT DATE: 11/04/2008 RECEIVED DATE: 04/07/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-BorgSk-IS-COSAdj	<p>TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE</p> <p>A. APPLICABILITY This Cost of Service Adjustment Clause applies to all gas sales rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Borger and Skellytown, Texas.</p> <p>B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing at least thirty (30) days prior to the first billing cycle of July each year at which time rate adjustments will become effective.</p> <p>C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the prior calendar year. The rate adjustment will be spread evenly across all weather normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing gas sales rates for each rate code.</p> <p>1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account Nos. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. **Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations.</p> <p>2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items*** Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes ***These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.</p> <p>3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (remaining unamortized credit)</p> <p>4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the</p>

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amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (****) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each gas sales rate code. **** The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect each year for meters read on or after the first billing cycle of July. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. This Rate Schedule replaces Cost of Service Adj. Clause Meters Read On and After 1-1 dated 7/29/92 (Borger) and 5/30/90 (Skellytown) November 4, 2008

1-INC-BorgSk-IS-COG

TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Borger and Skellytown, Texas. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees (including franchise fees) and taxes. 2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year. 3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company

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as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this Cost of Gas Clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, and (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account an amount equal to the average balance multiplied by six percent (6%). F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (f) the Cost of Gas which is the total of items (b) through (e). The statement shall include all data necessary for the Regulatory Authority to

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review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement. G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (d). This report shall be filed concurrently with the Cost of Gas Statement for December. This Rate Schedule replaces Cost of Gas Clause: Meters Read On and After 1-INC dated 8/24/01 (Borger) and 8/24/01 (Skellytown) November 4, 2008

48-BorgSk-IS-SchMuni

TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE 48 SCHOOL AND MUNICIPAL RATE APPLICABILITY Applicable to school and municipal buildings. TERRITORY All of the Company's service area within the incorporated areas of Borger and Skellytown, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 40.00 plus All Ccf at \$ 0.1512 per Ccf OTHER ADJUSTMENTS Cost of Gas: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: Plus applicable taxes and fees (including franchise fees) related to above. OTHER CONDITIONS Subject to applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. This Rate Schedule replaces School and Municipal Rate Schedule: Meters Read On and After 48 dated 7/1/07 (Borger) November 4, 2008

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to

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the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected

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WNA BorgSk-IS	<p>from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009</p> <p>TEXAS GAS SERVICE COMPANY Borger/Skellytown Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Borger and Skellytown, Texas: 10, 20, 40 and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial Rate Schedule Meters Read On and After November 4, 2008</p>

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>
9016	N	Ccf	\$.4408	03/31/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4348	03/31/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4230	04/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4172	04/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4414	06/01/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4354	06/01/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4807	06/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4743	06/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.4885	07/30/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.4821	07/30/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			
9016	N	Ccf	\$.3059	08/28/2009
<u>CUSTOMER NAME</u>	BORGER - INC			
9018	N	Ccf	\$.3318	08/28/2009
<u>CUSTOMER NAME</u>	SKELLYTOWN - INC			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: Resolution #R-019-08
 AMENDMENT(EXPLAIN):
 OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	48_School and Municipal Sales_Borger/Skellytown Svc Area - Incorp. Borger & Skellytown, TX

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DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 02/27/2009 ORIGINAL CONTRACT DATE: 02/27/2009 RECEIVED DATE: 04/08/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
10-Perm-IS-Res	<p>TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 10 RESIDENTIAL SERVICE RATE</p> <p>APPLICABILITY Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes, including any public housing project and including apartment houses where service for more than one dwelling unit is served through a master meter. This rate is only available to full requirements customers of Texas Gas Service Company.</p> <p>TERRITORY All customers in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas.</p> <p>COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 10.00 plus All Ccf at \$ 0.2080 per Ccf</p> <p>OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: The recovery of franchise taxes, sales taxes, Texas gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B.</p> <p>CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Residential service shall have priority in supply.</p> <p>This Rate Schedule replaces Residential Rate Schedules: Meters Read On and After 10 dated 12/26/01 (Andrews, Pecos, Monahans, Pyote) February 27, 2009 10 dated 11/04/2008 (Barstow, Crane, McCamey, Thorntonville, Wickett, Wink)</p>
1-1-Perm-IS-COSAdj	<p>TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all gas sales rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink, Texas. B.</p>

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EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing at least thirty (30) days prior to the first billing cycle of July each year at which time rate adjustments will become effective. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the prior calendar year. The rate adjustment will be spread evenly across all weather normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing gas sales rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. C. COMPONENTS OF RATE ADJUSTMENT (CONT.) 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (remaining unamortized credit) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each gas sales rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service. D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than thirty (30) days within which to review the proposed

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<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
1-INC-Perm-IS-COG	<p>annual rate adjustment prior to its taking effect each year for meters read on or after the first billing cycle of July. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Initial Rate Schedule for the new Permian Service Area Meters Read On and After This Rate Schedule replaces Cost of Service Adj. Clauses November 4, 2008 1-1 dated 4/1/91 (Crane Svc Area) and 4/18/91 (McCamey Svc Area)</p> <p>TEXAS GAS SERVICE COMPANY Permian Service Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees and taxes, including franchise fees. 2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year. 3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company as a result of relevant gas purchases or operation of this cost of gas clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes and, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases. 6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. 1/(1 - .05) unless expressly</p>

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authorized by the applicable regulatory authority. 7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period. C. COST OF GAS In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill. D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined. E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account an amount equal to the average balance multiplied by six percent (6%). F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the Reconciliation Component; (d) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement. G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A summary of all other costs and refunds made during the year

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and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (e). 6. Transition from the preceding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a Permian area wide basis for the 12 production months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December. This Rate Schedule replaces Cost of Gas Clauses: Meters Read On and After 1-INC for Andrews Pecos, Monahans, Pyote all dated 8/24/01 & February 27, 2009 1-INC for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/4/08

1B-Perm-IS-FrTx

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 1B FRANCHISE & GROSS RECEIPTS TAXES APPLICABILITY All customers in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas. City or Town (a) Statutory City Franchise Fee (b) Statutory Misc. Gross Receipts Tax (State Occupancy Tax) (c) Billing Tax Factor (d) Andrews 4.000% 1.070% 5.3407% Barstow 4.000% 0.000% 4.1667% Crane 5.000% 1.070% 6.4622% McCamey 4.000% 0.581% 4.8009% Monahans 4.000% 1.070% 5.3407% Pecos 4.000% 1.070% 5.3407% Pyote 4.000% 0.000% 4.1667% Thorntonville 2.000% 0.000% 2.0408% Wickett 2.000% 0.000% 2.0408% Wink 4.000% 0.000% 4.1667% The tax rates shown in columns (b) and (c) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. This Rate Schedule replaces Rate Schedules: Meters Read On and After 1B for Andrews dated 12/26/01& February 27, 2009 1B for Pecos, Monahans, Pyote dated 12/26/01& 1B for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/04/08

ORD-PERM-IS

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE ORD-PERM CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas DESCRIPTION Per TGS rate case filed 09/30/2008, the cities approved changes to the Cost of Gas Clause, Cost of Service Adjustment Clause, Weather Normalization Clause, Rules of Service and Cost of Service rates. Pursuant to a 2/11/09 Settlement Agreement, the cities of Andrews, Pecos, Monahans and Pyote did not approve the Cost of Service Adjustment (COSA). However, the COSA that became eff. 11/04/08 for the cities of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink is still applicable for those cities. All Permian Service Area cities are now on the same rates. Revised rate schedules were filed with the cities of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink, Texas. City approvals are as follows: City Ordinance or Resolution # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Andrews Ordinance # 1431 02/5/08 02/27/08 Barstow Operation of Law 11/04/08 02/27/08 Crane Ordinance # 454 10/13/08 02/27/08 McCamey Ordinance # 214 10/13/08 02/27/08 Monahans Ordinance #

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1103 PSF-All-ISOS-PipeFee	<p>1103 02/24/08 02/27/08 Pecos Ordinance # 09-02-01 02/12/08 02/27/08 Pyote City Council vote 02/18/08 02/27/08 Thorntonville Operation of Law 11/04/08 02/27/08 Wickett City Council vote 10/08/08 02/27/08 Wink City Council vote 10/06/08 02/27/08 Supercedes same sheet dated November 4, 2008 Effective for meters read on or after February 27, 2009</p> <p>TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the</p>

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requirements of 7.315 of this title, relating to Filing of Tariffs. (6)
 Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

WNA-Perm-IS

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE
 SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY
 The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas: 10, 20, and 40. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and

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by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD}, \quad \text{where} \quad \text{CV} \quad \text{WNAD} = \text{Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: } \text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate, where } \text{HDD Diff} = (\text{Normal HDD} - \text{Actual HDD}), \text{ the difference between normal and actual heating degree days for the billing period. } \text{CB} = \text{Number of customers billed for the billing period. } \text{WF} = \text{Weather factor determined for each rate schedule in the most recent rate case. } \text{CV} = \text{Current Volumes for the billing period.}$$

 D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial rate schedule for Monahans and Pecos This Rate Schedule replaces: Meters Read On and After
 Rate Sch WNC for Andrews dated 12/1/99 & February 27, 2009 Rate Sch WNA for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/4/08

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>
29921	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3039	03/31/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4468	03/31/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3237	03/31/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.2805	04/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			

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CUSTOMERS				
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29927	N	Ccf	\$.4234	04/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3004	04/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.2973	06/01/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4401	06/01/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3171	06/01/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			

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CUSTOMERS				
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29924	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4832	06/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3602	06/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4867	07/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3637	07/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20410

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
29920	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See ORD-PermSvcA-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	10_Residential Sales_Permian Svc Area - Incorp. Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, TX

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20411

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 02/27/2009 ORIGINAL CONTRACT DATE: 02/27/2009 RECEIVED DATE: 04/08/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-Perm-IS-COSAdj	<p>TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all gas sales rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing at least thirty (30) days prior to the first billing cycle of July each year at which time rate adjustments will become effective. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the prior calendar year. The rate adjustment will be spread evenly across all weather normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing gas sales rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. C. COMPONENTS OF RATE ADJUSTMENT (CONT.) 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (remaining unamortized credit) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar</p>

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year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each gas sales rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service. D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect each year for meters read on or after the first billing cycle of July. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Initial Rate Schedule for the new Permian Service Area Meters Read On and After This Rate Schedule replaces Cost of Service Adj. Clauses November 4, 2008 1-1 dated 4/1/91 (Crane Svc Area) and 4/18/91 (McCamey Svc Area)

1-INC-Perm-IS-COG

TEXAS GAS SERVICE COMPANY Permian Service Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees and taxes, including franchise fees. 2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year. 3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company

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as a result of relevant gas purchases or operation of this cost of gas clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes and, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account an amount equal to the average balance multiplied by six percent (6%).

F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the Reconciliation

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Component; (d) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement. G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (e). 6. Transition from the preceding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a Permian area wide basis for the 12 production months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December. This Rate Schedule replaces Cost of Gas Clauses: Meters Read On and After 1-INC for Andrews Pecos, Monahans, Pyote all dated 8/24/01 & February 27, 2009 1-INC for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/4/08

1B-Perm-IS-FrTx

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 1B FRANCHISE & GROSS RECEIPTS TAXES APPLICABILITY All customers in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas. City or Town (a) Statutory City Franchise Fee (b) Statutory Misc. Gross Receipts Tax (State Occupancy Tax) (c) Billing Tax Factor (d) Andrews 4.000% 1.070% 5.3407% Barstow 4.000% 0.000% 4.1667% Crane 5.000% 1.070% 6.4622% McCamey 4.000% 0.581% 4.8009% Monahans 4.000% 1.070% 5.3407% Pecos 4.000% 1.070% 5.3407% Pyote 4.000% 0.000% 4.1667% Thorntonville 2.000% 0.000% 2.0408% Wickett 2.000% 0.000% 2.0408% Wink 4.000% 0.000% 4.1667% The tax rates shown in columns (b) and (c) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. This Rate Schedule replaces Rate Schedules: Meters Read On and After 1B for Andrews dated 12/26/01& February 27, 2009 1B for Pecos, Monahans, Pyote dated 12/26/01& 1B for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/04/08

20-Perm-IS-Com

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 20 COMMERCIAL SERVICE RATE APPLICABILITY Applicable to all commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY All customers in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote,

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Thorntonville, Wickett and Wink, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 15.00 plus All Ccf at \$ 0.2260 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: The recovery of franchise taxes, sales taxes, Texas gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other consumers. This Rate Schedule replaces Commercial Rate Schedules: Meters Read On and After 20 dated 12/26/01 (Andrews, Pecos, Monahans, Pyote) February 27, 2009 20 dated 11/04/08 (Barstow, Crane, McCamey, Thorntonville, Wickett, Wink)

ORD-PERM-IS

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE ORD-PERM CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas DESCRIPTION Per TGS rate case filed 09/30/2008, the cities approved changes to the Cost of Gas Clause, Cost of Service Adjustment Clause, Weather Normalization Clause, Rules of Service and Cost of Service rates. Pursuant to a 2/11/09 Settlement Agreement, the cities of Andrews, Pecos, Monahans and Pyote did not approve the Cost of Service Adjustment (COSA). However, the COSA that became eff. 11/04/08 for the cities of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink is still applicable for those cities. All Permian Service Area cities are now on the same rates. Revised rate schedules were filed with the cities of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink, Texas. City approvals are as follows: City Ordinance or Resolution # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Andrews Ordinance # 1431 02/5/08 02/27/08 Barstow Operation of Law 11/04/08 02/27/08 Crane Ordinance # 454 10/13/08 02/27/08 McCamey Ordinance # 214 10/13/08 02/27/08 Monahans Ordinance # 1103 02/24/08 02/27/08 Pecos Ordinance # 09-02-01 02/12/08 02/27/08 Pyote City Council vote 02/18/08 02/27/08 Thorntonville Operation of Law 11/04/08 02/27/08 Wickett City Council vote 10/08/08 02/27/08 Wink City Council vote 10/06/08 02/27/08 Supercedes same sheet dated November 4, 2008 Effective for meters read on or after February 27, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of

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administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year.

(3) Each operator of a natural gas master meter system

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shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNA-Perm-IS

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas: 10, 20, and 40. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD} \times \text{CV}$$
 where $\text{WNAD} = \text{Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: } \text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate, where } \text{HDD Diff} = (\text{Normal HDD} - \text{Actual HDD}), \text{ the difference between normal and actual heating degree days for the billing period. } \text{CB} = \text{Number of customers billed for the billing period. } \text{WF} = \text{Weather factor determined for each rate schedule in the most recent rate case. } \text{CV} = \text{Current Volumes for the billing period.}$
 D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial rate schedule for Monahans and

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RATE SCHEDULE

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DESCRIPTION

Pecos This Rate Schedule replaces: Meters Read On and After
 Rate Sch WNC for Andrews dated 12/1/99 & February 27, 2009 Rate Sch WNA for
 Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/4/08

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>
29919	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3039	03/31/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4468	03/31/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3237	03/31/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.2805	04/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20411

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
29927	N	Ccf	\$.4234	04/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3004	04/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.2973	06/01/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4401	06/01/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3171	06/01/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20411

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
29924	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4832	06/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3602	06/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4867	07/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3637	07/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20411

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
29920	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See ORD-PermSvcA-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	20_Commercial Sales_Permian Svc Area - Incorp. Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20413

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 02/27/2009 ORIGINAL CONTRACT DATE: 02/27/2009 RECEIVED DATE: 04/08/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-Perm-IS-COSAdj	<p>TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all gas sales rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing at least thirty (30) days prior to the first billing cycle of July each year at which time rate adjustments will become effective. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the prior calendar year. The rate adjustment will be spread evenly across all weather normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing gas sales rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. C. COMPONENTS OF RATE ADJUSTMENT (CONT.) 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (remaining unamortized credit) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20413

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each gas sales rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service. D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect each year for meters read on or after the first billing cycle of July. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Initial Rate Schedule for the new Permian Service Area Meters Read On and After This Rate Schedule replaces Cost of Service Adj. Clauses November 4, 2008 1-1 dated 4/1/91 (Crane Svc Area) and 4/18/91 (McCamey Svc Area)

1-INC-Perm-IS-COG

TEXAS GAS SERVICE COMPANY Permian Service Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees and taxes, including franchise fees. 2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year. 3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20413

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

as a result of relevant gas purchases or operation of this cost of gas clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes and, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account an amount equal to the average balance multiplied by six percent (6%).

F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the Reconciliation

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20413

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Component; (d) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement. G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (e). 6. Transition from the preceeding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a Permian area wide basis for the 12 production months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December. This Rate Schedule replaces Cost of Gas Clauses: Meters Read On and After 1-INC for Andrews Pecos, Monahans, Pyote all dated 8/24/01 & February 27, 2009 1-INC for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/4/08

1B-Perm-IS-FrTx

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 1B FRANCHISE & GROSS RECEIPTS TAXES APPLICABILITY All customers in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas. City or Town (a) Statutory City Franchise Fee (b) Statutory Misc. Gross Receipts Tax (State Occupancy Tax) (c) Billing Tax Factor (d) Andrews 4.000% 1.070% 5.3407% Barstow 4.000% 0.000% 4.1667% Crane 5.000% 1.070% 6.4622% McCamey 4.000% 0.581% 4.8009% Monahans 4.000% 1.070% 5.3407% Pecos 4.000% 1.070% 5.3407% Pyote 4.000% 0.000% 4.1667% Thorntonville 2.000% 0.000% 2.0408% Wickett 2.000% 0.000% 2.0408% Wink 4.000% 0.000% 4.1667% The tax rates shown in columns (b) and (c) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. This Rate Schedule replaces Rate Schedules: Meters Read On and After 1B for Andrews dated 12/26/01& February 27, 2009 1B for Pecos, Monahans, Pyote dated 12/26/01& 1B for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/04/08

30-Perm-IS-Ind

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 30 INDUSTRIAL SERVICE RATE APPLICABILITY Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the US. Government. Division B - Mining - all Major Groups Division D - Manufacturing - all Major Groups Division E and J

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20413

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

- Utility and Government - facilities generating power for resale only This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY All customers in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 50.00 plus All Ccf at \$ 0.14880 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Taxes: The recovery of franchise taxes, sales taxes, Texas gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other consumers. This Rate Schedule replaces Industrial Rate Schedules: Meters Read On and After 30 dated 12/26/01 (Andrews, Pecos, Monahans, Pyote) February 27, 2009 30 dated 11/04/08 (Barstow, Crane, McCamey, Thorntonville, Wickett, Wink)

ORD-PERM-IS

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE ORD-PERM CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas DESCRIPTION Per TGS rate case filed 09/30/2008, the cities approved changes to the Cost of Gas Clause, Cost of Service Adjustment Clause, Weather Normalization Clause, Rules of Service and Cost of Service rates. Pursuant to a 2/11/09 Settlement Agreement, the cities of Andrews, Pecos, Monahans and Pyote did not approve the Cost of Service Adjustment (COSA). However, the COSA that became eff. 11/04/08 for the cities of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink is still applicable for those cities. All Permian Service Area cities are now on the same rates. Revised rate schedules were filed with the cities of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink, Texas. City approvals are as follows: City Ordinance or Resolution # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Andrews Ordinance # 1431 02/5/08 02/27/08 Barstow Operation of Law 11/04/08 02/27/08 Crane Ordinance # 454 10/13/08 02/27/08 McCamey Ordinance # 214 10/13/08 02/27/08 Monahans Ordinance # 1103 02/24/08 02/27/08 Pecos Ordinance # 09-02-01 02/12/08 02/27/08 Pyote City Council vote 02/18/08 02/27/08 Thorntonville Operation of Law 11/04/08 02/27/08 Wickett City Council vote 10/08/08 02/27/08 Wink City Council vote 10/06/08 02/27/08 Supercedes same sheet dated November 4, 2008 Effective for meters read on or after February 27, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20413

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DESCRIPTION

amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master

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meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNA-Perm-IS

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas: 10, 20, and 40. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD} \times \text{CV}$$
 where $\text{WNAD} = \text{Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: } \text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate, where } \text{HDD Diff} = (\text{Normal HDD} - \text{Actual HDD}), \text{ the difference between normal and actual heating degree days for the billing period. } \text{CB} = \text{Number of customers billed for the billing period. } \text{WF} = \text{Weather factor determined for each rate schedule in the most recent rate case. } \text{CV} = \text{Current Volumes for the billing period.}$
 D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each

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October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial rate schedule for Monahans and Pecos This Rate Schedule replaces: Meters Read On and After Rate Sch WNC for Andrews dated 12/1/99 & February 27, 2009 Rate Sch WNA for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/4/08

RATE ADJUSTMENT PROVISIONS

None

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20413

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
29919	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3039	03/31/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4468	03/31/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3237	03/31/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.2805	04/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20413

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
29927	N	Ccf	\$.4234	04/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3004	04/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.2973	06/01/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4401	06/01/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3171	06/01/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20413

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
29924	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4832	06/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3602	06/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4867	07/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3637	07/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20413

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
29920	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See ORD-PermSvcA-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	30_Industrial Sales_Permian Svc Area - Incorp. Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20414

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 02/27/2009 ORIGINAL CONTRACT DATE: 02/27/2009 RECEIVED DATE: 04/08/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-Perm-IS-COSAdj	<p>TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 1-1 COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all gas sales rate schedules of Texas Gas Service Company currently in force in the Company's service area within the incorporated areas of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink, Texas. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing at least thirty (30) days prior to the first billing cycle of July each year at which time rate adjustments will become effective. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment and federal income taxes. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement for the prior calendar year. The rate adjustment will be spread evenly across all weather normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing gas sales rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932) Interest on Customer Deposits (Account No. 431) * Based on last city-approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax. This information will be presented with supporting calculations. 2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of: Net Plant in Service Plus: Other Rate Base Items* Less: Customer Deposits (Account No. 235) Customer Advances (Account No. 252) Deferred Federal Income Taxes * These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case. C. COMPONENTS OF RATE ADJUSTMENT (CONT.) 3. Federal Income Taxes Calendar year federal income taxes will be calculated as follows: Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case) Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base) Investment Tax Credit (remaining unamortized credit) Multiplied by: Tax Factor (.35/(1-.35) or .53846) Less: Investment Tax Credit (remaining unamortized credit) 4. Cost of Service Adjustment Rate The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20414

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be added to the cost of service rate approved in the most recent rate case for each gas sales rate code. * The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service. D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT The cities will have a period of not less than thirty (30) days within which to review the proposed annual rate adjustment prior to its taking effect each year for meters read on or after the first billing cycle of July. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the cities. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws. Initial Rate Schedule for the new Permian Service Area Meters Read On and After This Rate Schedule replaces Cost of Service Adj. Clauses November 4, 2008 1-1 dated 4/1/91 (Crane Svc Area) and 4/18/91 (McCamey Svc Area)

1-INC-Perm-IS-COG

TEXAS GAS SERVICE COMPANY Permian Service Area RATE SCHEDULE 1-INC COST OF GAS CLAUSE A. APPLICABILITY This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas. B. DEFINITIONS 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, a Reconciliation Component, and applicable fees and taxes, including franchise fees. 2. Commodity Cost - The estimated Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus any adjustment deemed prudent by the Company to correct any known and quantifiable under or over collection prior to the end of the reconciliation period for the objective of minimizing the impact of under or over collection by the reconciliation factor in the next year. 3. Cost of Purchased Gas - The cost for gas purchased by the Company from its supplier or the weighted average cost for gas purchased by the Company from all sources where applicable. The Cost of Purchased Gas may include prudently incurred costs necessarily incurred for transportation, storage and associated services. The Cost of Purchased Gas shall also include any surcharge or refund the Company may incur from its gas suppliers or service providers. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit. 5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of revenue associated fees (including franchise fees) and taxes paid by the Company on those revenues, (c) the total amount of surcharges or refunds made to customers during the period and any other revenues, costs, or credits received by the Company

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as a result of relevant gas purchases or operation of this cost of gas clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes and, (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.73 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total prudently incurred amount paid for the Cost of Purchased Gas as defined in Section B.3. of this Cost of Gas Clause to provide service to its customers during the period, including prudently incurred gains or losses on natural gas financial instruments, (b) the revenues received from operation of the provisions of this cost of gas clause reduced by the amount of fees (including franchise fees) and taxes, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued for imbalance provisions under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had over collected during the period, it shall credit into the Reconciliation Account an amount equal to the average balance multiplied by six percent (6%). If on the average, the Company had under collected during the period, it shall debit into the reconciliation account an amount equal to the average balance multiplied by six percent (6%).

F. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the Reconciliation

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Component; (d) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement. G. ANNUAL RECONCILIATION REPORT The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month. 2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues. 3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date. 4. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3. 5. A summary of charges related to uncollectible accounts as described in Section B. 5. (e). 6. Transition from the preceeding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a Permian area wide basis for the 12 production months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December. This Rate Schedule replaces Cost of Gas Clauses: Meters Read On and After 1-INC for Andrews Pecos, Monahans, Pyote all dated 8/24/01 & February 27, 2009 1-INC for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/4/08

1B-Perm-IS-FrTx

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 1B FRANCHISE & GROSS RECEIPTS TAXES APPLICABILITY All customers in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas. City or Town (a) Statutory City Franchise Fee (b) Statutory Misc. Gross Receipts Tax (State Occupancy Tax) (c) Billing Tax Factor (d) Andrews 4.000% 1.070% 5.3407% Barstow 4.000% 0.000% 4.1667% Crane 5.000% 1.070% 6.4622% McCamey 4.000% 0.581% 4.8009% Monahans 4.000% 1.070% 5.3407% Pecos 4.000% 1.070% 5.3407% Pyote 4.000% 0.000% 4.1667% Thorntonville 2.000% 0.000% 2.0408% Wickett 2.000% 0.000% 2.0408% Wink 4.000% 0.000% 4.1667% The tax rates shown in columns (b) and (c) above are rates applied to gross receipts and are in addition to the revenues derived from general service rate schedules and the Cost of Gas adjustment. However, the State Comptroller has determined that beginning February 1, 1985, these taxes are includable when calculating gross receipts. This is accomplished by applying the Billing Tax Factor to all bills rendered by the Company for service within city limits. This Rate Schedule replaces Rate Schedules: Meters Read On and After 1B for Andrews dated 12/26/01& February 27, 2009 1B for Pecos, Monahans, Pyote dated 12/26/01& 1B for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/04/08

40-Perm-IS-PubA

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE 40 PUBLIC AUTHORITY SERVICE RATE APPLICABILITY Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate is only available to full requirements customers of Texas Gas Service Company. TERRITORY All customers in the incorporated areas of

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Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas, Texas. COST OF SERVICE RATE During each monthly billing period: A Customer Charge of \$ 20.00 plus All Ccf at \$ 0.19501 per Ccf OTHER ADJUSTMENTS Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC. Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA. Taxes: The recovery of franchise taxes, sales taxes, Texas gross receipts taxes, and other taxes on gross receipts in accordance with Rate Schedule 1B. CONDITIONS 1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for other consumers. This Rate Schedule replaces Pub Auth Rate Schedules: Meters Read On and After 40 dated 12/26/01 (Andrews Svc Area) & February 27, 2009 40 & 48 dated 12/26/01 (Pecos, Monahans, Pyote) 40 dated 11/04/08 (Barstow, Crane, McCamey, Thorntonville, Wickett, Wink)

ORD-PERM-IS

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE ORD-PERM CITY ORDINANCE LISTING APPLICABILITY Applicable to all gas sales and standard transport customers. TERRITORY All customers in the incorporated area of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas DESCRIPTION Per TGS rate case filed 09/30/2008, the cities approved changes to the Cost of Gas Clause, Cost of Service Adjustment Clause, Weather Normalization Clause, Rules of Service and Cost of Service rates. Pursuant to a 2/11/09 Settlement Agreement, the cities of Andrews, Pecos, Monahans and Pyote did not approve the Cost of Service Adjustment (COSA). However, the COSA that became eff. 11/04/08 for the cities of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink is still applicable for those cities. All Permian Service Area cities are now on the same rates. Revised rate schedules were filed with the cities of Barstow, Crane, McCamey, Thorntonville, Wickett and Wink, Texas. City approvals are as follows: City Ordinance or Resolution # Date Ordinance Passed Effective Date of Gas Sales Rate Schedules Andrews Ordinance # 1431 02/5/08 02/27/08 Barstow Operation of Law 11/04/08 02/27/08 Crane Ordinance # 454 10/13/08 02/27/08 McCamey Ordinance # 214 10/13/08 02/27/08 Monahans Ordinance # 1103 02/24/08 02/27/08 Pecos Ordinance # 09-02-01 02/12/08 02/27/08 Pyote City Council vote 02/18/08 02/27/08 Thorntonville Operation of Law 11/04/08 02/27/08 Wickett City Council vote 10/08/08 02/27/08 Wink City Council vote 10/06/08 02/27/08 Supercedes same sheet dated November 4, 2008 Effective for meters read on or after February 27, 2009

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total

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amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year.

(b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50.

(2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection.

(3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge:

(A) shall be a flat rate, one-time surcharge;

(B) shall not be billed before the operator remits the pipeline safety program fee to the Commission;

(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;

(D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing:

(A) the pipeline safety program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(C) the date or dates on which the surcharge was billed to customers; and

(D) the total amount collected from customers from the surcharge.

(5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs.

(6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code.

(c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year.

(2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master

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meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008 March 31, 2009

WNA-Perm-IS

TEXAS GAS SERVICE COMPANY Permian Service Area - West Texas Region RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, Texas: 10, 20, and 40. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD} \times \text{CV}$$
 where $\text{WNAD} = \text{Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: } \text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate, where } \text{HDD Diff} = (\text{Normal HDD} - \text{Actual HDD}), \text{ the difference between normal and actual heating degree days for the billing period. } \text{CB} = \text{Number of customers billed for the billing period. } \text{WF} = \text{Weather factor determined for each rate schedule in the most recent rate case. } \text{CV} = \text{Current Volumes for the billing period.}$
 D. FILING WITH THE CITIES The Company will file with the Cities monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each

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October 1, the Company will file with the Cities an annual report verifying the past year's WNA collections or refunds. Initial rate schedule for Monahans and Pecos This Rate Schedule replaces: Meters Read On and After Rate Sch WNC for Andrews dated 12/1/99 & February 27, 2009 Rate Sch WNA for Barstow, Crane, McCamey, Thorntonville, Wickett, Wink dated 11/4/08

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>
29919	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3039	03/31/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4468	03/31/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3237	03/31/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4262	03/31/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.2805	04/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			

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CUSTOMERS				
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29927	N	Ccf	\$.4234	04/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3004	04/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4028	04/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.2973	06/01/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4401	06/01/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3171	06/01/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.4196	06/01/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			

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<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
29924	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4832	06/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3602	06/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3736	06/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			
29920	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.4867	07/30/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3637	07/30/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3772	07/30/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			
29919	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	BARSTOW - INC (PERMIAN SVC AREA)			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 20414

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
29920	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	MONAHANS (WARD CO) - INC (PERMIAN SVC AREA)			
29921	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	PECOS CITY - INC (PERMIAN SVC AREA)			
29922	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	PYOTE - INC (PERMIAN SVC AREA)			
29924	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	WICKETT - INC (PERMIAN SVC AREA)			
29925	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	WINK - INC (PERMIAN SVC AREA)			
29926	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	ANDREWS - INC (PERMIAN SVC AREA)			
29927	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	CRANE - INC (PERMIAN SVC AREA)			
29928	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	MCCAMEY - INC (PERMIAN SVC AREA)			
29929	N	Ccf	\$.3058	08/28/2009
<u>CUSTOMER NAME</u>	THORNTONVILLE - INC (PERMIAN SVC AREA)			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See ORD-PermSvcA-IS

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Rate Schedule PSF-All-ISOS-PSafFee (Pipeline Safety Program Fee) eff. 3/30/08 was superseded 3/31/09. New annual rate.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	40_Public Authority Sales_Permian Svc Area - Incorp. Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett and Wink, TX

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2009 ORIGINAL CONTRACT DATE: 04/30/2009 RECEIVED DATE: 05/20/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-ENV-R-NTX-OS-COS	<p>TEXAS GAS SERVICE COMPANY North Texas Service Area RATE SCHEDULE 1-1-ENV RIDER</p> <p>COST OF SERVICE ADJUSTMENT RIDER</p> <p>A. APPLICABILITY This Cost of Service Adjustment Rider applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the unincorporated areas of the North Texas Service Area. Applicable rate schedules include 1A, 2A, 2B, 3A, 3B, 4A, and 4B.</p> <p>B. BILLING The following Cost of Service Adjustment will be added to the applicable Rate Schedule volumetric rate per Ccf for each monthly billing period:</p> <p>2008 Cost of Service Adjustment \$0.0100 per Ccf</p> <p>All applicable fees and taxes will be added to the above rate.</p> <p>Initial Rate Schedule Meters Read On and After April 30, 2009</p>
1-1-ENV-NTX-OS-COSad	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1-ENV</p> <p>COST OF SERVICE ADJUSTMENT CLAUSE</p> <p>A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the unincorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas. A filing under this tariff is made in lieu of a filing under the Gas Reliability Infrastructure Program (GRIP) statute, Texas Utilities Code Ann, Section 104.301. The Company may not seek recovery under both the COSA tariff and the GRIP statute for the same time period.</p> <p>B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

later than April 1, with rate adjustments to be effective the first billing cycle of August each year.

C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. All information will be presented by FERC account number with supporting calculations at the time of filing.

The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all weather-normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.

1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) Uncollectible expense factor to remain constant at 0.0078684. * Based on the last city and Commission (RRC) approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax.

2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in Service

Plus: Other Rate Base Items*

Less: Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Deferred Federal Income Taxes

* These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.

3. Federal Income Taxes

Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Multiplied by: Tax Factor (.35/(1-.35) or .53846)

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

RATE SCHEDULESCHEDULE IDDESCRIPTION

4. Cost of Service Adjustment Rate

The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be shown as a separate line item on the customer's monthly bill..

* The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

5. Attestation

A sworn statement shall be filed by the Company's Manager of Rates of Texas Gas Service Company, affirming that the filed schedules are in compliance with the provisions of this tariff and are true and correct to the best of his/her knowledge, information, and belief. No testimony shall be filed.

6. Proof of Revenues

The Company shall also provide a schedule demonstrating the proof of revenues relied upon to calculate the proposed cost of service adjustment rate. The proposed rates shall conform as closely as practicable to the revenue allocation principles in effect prior to the adjustment.

7. Notice

Notice of the annual Cost of Service Adjustment shall be published in a newspaper having general circulation in a form similar to that required under Section 104.103, TEX. UTIL. CODE ANN. no later than forty-five (45) days after the Company makes its annual filing pursuant to this rate schedule with the regulatory authority. The notice to customers shall include the following information:

- a) a description of the proposed revision of rates and schedules;
- b) the effect the proposed revision of rates is expected to have on the rates applicable to each customer class and on an average bill for each affected customer class;
- c) the service area or areas in which the proposed rate adjustment would apply;
- d) the date the proposed rate adjustment was filed with the regulatory authority; and
- e) the Company's address, telephone number, and website where information concerning the proposed cost of service adjustment may be obtained.

D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT

The RRC will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment prior to its taking effect with the first billing cycle of August of each year. If the RRC takes no action within ninety (90) days, the proposed annual rate adjustment will be deemed approved by the RRC. The Company agrees to reimburse the actual cost of the RRC's review up to an amount

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

not to exceed \$15,000 per year. Any reimbursement of such costs will be recoverable through the Company's annual cost of service adjustment rate. This Cost of Service Adjustment Clause does not limit the legal rights and duties of the RRC. Texas Gas Service Company's annual rate adjustment will be made in accordance with all applicable laws.

Initial Rate Schedule Meters Read On and After
April 30, 2009

1-ENV-NTX-OS-COG

TEXAS GAS SERVICE COMPANY
North Texas Area
RATE SCHEDULE 1-ENV

COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyyn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a Reconciliation Component and related fees and taxes, and other purchased gas expenses.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

RATE SCHEDULESCHEDULE IDDESCRIPTION

during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

RATE SCHEDULESCHEDULE IDDESCRIPTION

the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

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

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3.
6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3.
7. This report shall be filed concurrently with the Cost of Gas Statement for

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

8. Transition from the preceding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Meters Read On and After
 April 30, 2009

Supersedes Rate Schedules:

- 1-ENV dated 5/25/01 (Unincorp. Breckenridge)
- 1 dated 8/24/01 (Unincorp. Graham)
- 1 dated 8/24/01 (Unincorp. Jacksboro, Bryson & Jermyn)
- 1 dated 11/26/01 (Unincorp. Min. Wells, Graford, Millsap, Palo Pinto, Whitt, and Perrin)
- 1 dated 7/26/01 (Unincorp. Possum Kingdom)
- 1 dated 8/24/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park , & Punkin Center)

1A-NTX-OS

TEXAS GAS SERVICE COMPANY
 North Texas Area
 RATE SCHEDULE 1A

RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.

TERRITORY

All customers served by the Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

COST OF SERVICE RATE

During each monthly billing period:

- A Customer Charge of \$ 10.75 plus
- All Ccf at \$.20270 per Ccf

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-ENV.

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Cost of Service Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Cost of Service Adjustment Rider, Rate Schedule 1-1-ENV RIDER.

Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.

2. Residential service shall have priority in supply.

This Rate Schedule replaces Residential Rate Schedules:

1Z dated 05/25/01 (Unincorp. Breckenridge), 01/28/91 (Unincorp. Graham), 11/27/00 (Unincorp. Jacksboro and Jermyn), 11/26/01 (Unincorp. Mineral Wells, Graford, Millsap, Palo Pinto, Perrin & Whitt), 08/24/01 (Unincorp. Possum Kingdom), 5/25/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park and Punkin Center)

1Y dated 11/27/00 (Unincorp. Bryson)

Supersedes
 See list above

Meters Read On and After April 30, 2009

WNA-NTX-OS

TEXAS GAS SERVICE COMPANY
 North Texas Area
 RATE SCHEDULE WNA-ENV

WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas: 1A, 2A, 2B, 4A, and 4B. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.

The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \frac{\text{WNAD}}{\text{CV}}, \text{ where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate}, \text{ where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case as listed below.

CV = Current Volumes for the billing period.

Weather Factors from most recent rate case by class:

- Residential 0.13197
- Commercial 0.37721
- Large Commercial 10.64749
- Public Authority 1.73743
- Large Public Authority 15.61800

Applicable weather station is Abilene, Texas.

D. FILING WITH THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule Meters Read On
 and After
 April 30, 2009 (Unincorporated areas)

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30188	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5344	04/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4268	04/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC)			
30200	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4379	04/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30186	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30186	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5571	06/01/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4495	06/01/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30199	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC			
30200	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4605	06/01/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA			
30190	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5901	06/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30197	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5707	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30195	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21336

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30193	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			

REASONS FOR FILING

NEW?: Y RRC DOCKET NO: 9839 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Eff. 4/30/09, unincorp. areas became 'NTX AREA' with new tariffs. Per Docket 9839, RRC aprvd COG,COSA,COSA-Rider, WNA. No changes to QSR and Line Ext.

SERVICES

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

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21337

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2009 ORIGINAL CONTRACT DATE: 04/30/2009 RECEIVED DATE: 05/20/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-ENV-NTX-OS-COSAD	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1-ENV</p> <p>COST OF SERVICE ADJUSTMENT CLAUSE</p> <p>A. APPLICABILITY</p> <p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the unincorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Puntkin Center, Texas. A filing under this tariff is made in lieu of a filing under the Gas Reliability Infrastructure Program (GRIP) statute, Texas Utilities Code Ann, Section 104.301. The Company may not seek recovery under both the COSA tariff and the GRIP statute for the same time period.</p> <p>B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year.</p> <p>C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. All information will be presented by FERC account number with supporting calculations at the time of filing.</p> <p>The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all weather-normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.</p> <p>1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) Uncollectible expense factor to remain constant at 0.0078684. * Based on the last city and Commission</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21337

RATE SCHEDULESCHEDULE IDDESCRIPTION

(RRC) approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax.

2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in Service

Plus: Other Rate Base Items*

Less: Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Deferred Federal Income Taxes

* These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.

3. Federal Income Taxes

Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Multiplied by: Tax Factor (.35/(1-.35) or .53846)

4. Cost of Service Adjustment Rate

The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be shown as a separate line item on the customer's monthly bill..

* The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

5. Attestation

A sworn statement shall be filed by the Company's Manager of Rates of Texas Gas Service Company, affirming that the filed schedules are in compliance with the provisions of this tariff and are true and correct to the best of his/her knowledge, information, and belief. No testimony shall be filed.

6. Proof of Revenues

The Company shall also provide a schedule demonstrating the proof of revenues relied upon to calculate the proposed cost of service adjustment rate. The proposed rates shall conform as closely as practicable to the revenue allocation

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21337

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
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All applicable fees and taxes will be added to the above rate.

Initial Rate Schedule
 Meters Read On and After

April 30, 2009

1-ENV-NTX-OS-COG	TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-ENV
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COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyrn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a Reconciliation Component and related fees and taxes, and other purchased gas expenses.
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.
3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility.
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

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during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average,

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the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

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

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3.
6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3.
7. This report shall be filed concurrently with the Cost of Gas Statement for

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October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

8. Transition from the preceding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Meters Read On and After
April 30, 2009

Supersedes Rate Schedules:
1-ENV dated 5/25/01 (Unincorp. Breckenridge)
1 dated 8/24/01 (Unincorp. Graham)
1 dated 8/24/01 (Unincorp. Jacksboro, Bryson & Jermyn)
1 dated 11/26/01 (Unincorp. Min. Wells, Graford, Millsap, Palo Pinto, Whitt, and Perrin)
1 dated 7/26/01 (Unincorp. Possum Kingdom)
1 dated 8/24/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park , & Punkin Center)

2A-NTX-OS

TEXAS GAS SERVICE COMPANY
North Texas Area
RATE SCHEDULE 2A

COMMERCIAL SERVICE RATE

APPLICABILITY

Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule, with monthly usage of 2,900 Ccf or less, on average.

TERRITORY

All customers served by the Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$ 22.50 plus
All Ccf at \$ 0.19380 per Ccf

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month

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computed in accordance with the provisions of Rate Schedule 1-ENV.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Cost of Service Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Cost of Service Adjustment Rider, Rate Schedule 1-1-ENV RIDER.

Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served. This Rate Schedule replaces Commercial Rate Schedules: 2Z dated 05/25/01 (Unincorp. Breckenridge), 01/28/91 (Unincorp. Graham), 11/27/00 (Unincorp. Jacksboro and Jermyn), 11/26/01 (Unincorp. Mineral Wells, Graford, Millsap, Palo Pinto, Perrin & Whitt), 08/24/01 (Unincorp. Possum Kingdom), 5/25/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park and Punkin Center) 2Y dated 11/27/00 (Unincorp. Bryson)

Supersedes
See list above

Meters Read On and After
April 30, 2009

WNA-NTX-OS

TEXAS GAS SERVICE COMPANY
North Texas Area
RATE SCHEDULE WNA-ENV

WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas: 1A, 2A, 2B, 4A, and 4B. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the

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most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.
The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \frac{\text{WNAD}}{\text{CV}}, \quad \text{where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate}, \quad \text{where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case as listed below.

CV = Current Volumes for the billing period.

Weather Factors from most recent rate case by class:

- Residential 0.13197
- Commercial 0.37721
- Large Commercial 10.64749
- Public Authority 1.73743
- Large Public Authority 15.61800

Applicable weather station is Abilene, Texas.

D. FILING WITH THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule Meters Read On
and After
April 30, 2009 (Unincorporated areas)

RATE ADJUSTMENT PROVISIONS

None

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30186	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5344	04/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4268	04/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

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30201	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4379	04/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5571	06/01/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4495	06/01/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

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30199	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC			
30200	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4605	06/01/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA			
30190	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5901	06/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

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30197	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5707	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

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CUSTOMERS				
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30195	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21337

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30193	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			

REASONS FOR FILING

NEW?: Y RRC DOCKET NO: 9839 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Eff. 4/30/09, unincorp. areas became 'NTX AREA' with new tariffs. Per Docket 9839, RRC aprvd COG,COSA,COSA-Rider, WNA. No changes to QSR and Line Ext.

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: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2009 ORIGINAL CONTRACT DATE: 04/30/2009 RECEIVED DATE: 05/20/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-ENV-NTX-OS-COSAD	<p>TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1-ENV</p> <p>COST OF SERVICE ADJUSTMENT CLAUSE</p> <p>A. APPLICABILITY</p> <p>This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the unincorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas. A filing under this tariff is made in lieu of a filing under the Gas Reliability Infrastructure Program (GRIP) statute, Texas Utilities Code Ann, Section 104.301. The Company may not seek recovery under both the COSA tariff and the GRIP statute for the same time period.</p> <p>B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year.</p> <p>C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. All information will be presented by FERC account number with supporting calculations at the time of filing.</p> <p>The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all weather-normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code.</p> <p>1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) Uncollectible expense factor to remain constant at 0.0078684. * Based on the last city and Commission</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

RATE SCHEDULESCHEDULE IDDESCRIPTION

(RRC) approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax.

2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in Service

Plus: Other Rate Base Items*

Less: Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Deferred Federal Income Taxes

* These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.

3. Federal Income Taxes

Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Multiplied by: Tax Factor (.35/(1-.35) or .53846)

4. Cost of Service Adjustment Rate

The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be shown as a separate line item on the customer's monthly bill..

* The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

5. Attestation

A sworn statement shall be filed by the Company's Manager of Rates of Texas Gas Service Company, affirming that the filed schedules are in compliance with the provisions of this tariff and are true and correct to the best of his/her knowledge, information, and belief. No testimony shall be filed.

6. Proof of Revenues

The Company shall also provide a schedule demonstrating the proof of revenues relied upon to calculate the proposed cost of service adjustment rate. The proposed rates shall conform as closely as practicable to the revenue allocation

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
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All applicable fees and taxes will be added to the above rate.

Initial Rate Schedule
 Meters Read On and After

April 30, 2009

1-ENV-NTX-OS-COG	TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-ENV
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COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyrn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a Reconciliation Component and related fees and taxes, and other purchased gas expenses.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

RATE SCHEDULESCHEDULE IDDESCRIPTION

during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

RATE SCHEDULESCHEDULE IDDESCRIPTION

the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

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

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3.
6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3.
7. This report shall be filed concurrently with the Cost of Gas Statement for

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

RATE SCHEDULESCHEDULE IDDESCRIPTION

October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

8. Transition from the preceding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Meters Read On and After
April 30, 2009

Supersedes Rate Schedules:

1-ENV dated 5/25/01 (Unincorp. Breckenridge)

1 dated 8/24/01 (Unincorp. Graham)

1 dated 8/24/01 (Unincorp. Jacksboro, Bryson & Jermyrn)

1 dated 11/26/01 (Unincorp. Min. Wells, Graford, Millsap, Palo Pinto, Whitt, and Perrin)

1 dated 7/26/01 (Unincorp. Possum Kingdom)

1 dated 8/24/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park , & Punkin Center)

2B-NTX-OS

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE 2B

LARGE VOLUME COMMERCIAL SERVICE RATE

APPLICABILITY

Applicable to commercial customers and to customers not otherwise specifically provided for under any other rate schedule, with monthly usage greater than 2,900 Ccf, on average.

TERRITORY

All customers served by the Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyrn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$ 400.00 plus

All Ccf at \$ 0.17380 per Ccf

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

computed in accordance with the provisions of Rate Schedule 1-ENV.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Clause, Rate Schedule WNA.

Cost of Service Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Cost of Service Adjustment Rider, Rate Schedule 1-1-ENV RIDER.

Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.

2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served.

This Rate Schedule replaces Large Volume Commercial Rate Schedules:

2A dated 11/27/00 (Unincorp. Jacksboro and Jermyn)

2B dated 11/27/00 (Unincorp. Bryson)

2C dated 5/25/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park and Punkin Center)

2F dated 11/26/01 (Unincorp. Mineral Wells, Graford, Millsap, Palo Pinto, Perrin & Whitt)

Supersedes

See list above

Meters Read On and After

April 30, 2009

WNA-NTX-OS

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE WNA-ENV

WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas: 1A, 2A, 2B, 4A, and 4B. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.

The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD} \times \text{CV} \quad \text{where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} \times \text{CB} \times \text{WF}) \times \text{COS rate, where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case as listed below.

CV = Current Volumes for the billing period.

Weather Factors from most recent rate case by class:

Residential 0.13197

Commercial 0.37721

Large Commercial 10.64749

Public Authority 1.73743

Large Public Authority 15.61800

Applicable weather station is Abilene, Texas.

D. FILING WITH THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule
and After

Meters Read On

April 30, 2009 (Unincorporated areas)

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

RATE ADJUSTMENT PROVISIONS

None

**GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT**

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30186	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5344	04/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4268	04/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC)			
30200	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30201	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4379	04/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5571	06/01/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4495	06/01/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30199	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC			
30200	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4605	06/01/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA			
30190	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5901	06/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30197	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5707	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30195	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21338

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30193	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			

REASONS FOR FILING

NEW?: Y RRC DOCKET NO: 9839 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Eff. 4/30/09, unincorp. areas became 'NTX AREA' with new tariffs. Per Docket 9839, RRC aprvd COG,COSA,COSA-Rider, WNA. No changes to QSR and Line Ext.

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: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21339

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/30/2009 ORIGINAL CONTRACT DATE: 04/30/2009 RECEIVED DATE: 05/20/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-ENV-NTX-OS-COSAD	TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1-ENV COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the unincorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas. A filing under this tariff is made in lieu of a filing under the Gas Reliability Infrastructure Program (GRIP) statute, Texas Utilities Code Ann, Section 104.301. The Company may not seek recovery under both the COSA tariff and the GRIP statute for the same time period. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. All information will be presented by FERC account number with supporting calculations at the time of filing. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all weather-normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) Uncollectible expense factor to remain constant at 0.0078684. * Based on the last city and Commission

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21339

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

(RRC) approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax.

2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in Service

Plus: Other Rate Base Items*

Less: Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Deferred Federal Income Taxes

* These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.

3. Federal Income Taxes

Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Multiplied by: Tax Factor (.35/(1-.35) or .53846)

4. Cost of Service Adjustment Rate

The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be shown as a separate line item on the customer's monthly bill..

* The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

5. Attestation

A sworn statement shall be filed by the Company's Manager of Rates of Texas Gas Service Company, affirming that the filed schedules are in compliance with the provisions of this tariff and are true and correct to the best of his/her knowledge, information, and belief. No testimony shall be filed.

6. Proof of Revenues

The Company shall also provide a schedule demonstrating the proof of revenues relied upon to calculate the proposed cost of service adjustment rate. The proposed rates shall conform as closely as practicable to the revenue allocation

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21339

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

All applicable fees and taxes will be added to the above rate.

Initial Rate Schedule
 Meters Read On and After

April 30, 2009

1-ENV-NTX-OS-COG

TEXAS GAS SERVICE COMPANY
 North Texas Area
 RATE SCHEDULE 1-ENV

COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyrn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a Reconciliation Component and related fees and taxes, and other purchased gas expenses.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21339

RATE SCHEDULESCHEDULE IDDESCRIPTION

during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average,

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the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

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

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3.
6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3.
7. This report shall be filed concurrently with the Cost of Gas Statement for

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October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

8. Transition from the preceding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Meters Read On and After
April 30, 2009

Supersedes Rate Schedules:

- 1-ENV dated 5/25/01 (Unincorp. Breckenridge)
- 1 dated 8/24/01 (Unincorp. Graham)
- 1 dated 8/24/01 (Unincorp. Jacksboro, Bryson & Jermyn)
- 1 dated 11/26/01 (Unincorp. Min. Wells, Graford, Millsap, Palo Pinto, Whitt, and Perrin)
- 1 dated 7/26/01 (Unincorp. Possum Kingdom)
- 1 dated 8/24/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park , & Punkin Center)

3A-NTX-OS

TEXAS GAS SERVICE COMPANY
North Texas Area
RATE SCHEDULE 3A
INDUSTRIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government, with monthly usage of 2,900 Ccf or less, on average.

- Division B - Mining - all Major Groups
- Division D - Manufacturing - all Major Groups
- Divisions E and J - Utility and Government - facilities generating power for resale only.

TERRITORY

All customers served by the Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$ 50.00 plus
All Ccf at \$ 0.15680 per Ccf

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OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-ENV.

Cost of Service Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Cost of Service Adjustment Rider, Rate Schedule 1-1-ENV RIDER.

Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.

2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.

This Rate Schedule replaces Industrial Rate Schedules:

3Z dated 05/25/01 (Unincorp. Breckenridge), 01/28/91 (Unincorp. Graham), 11/27/00 (Unincorp. Jacksboro and Jermyn), 11/26/01 (Unincorp. Mineral Wells, Graford, Millsap, Palo Pinto, Perrin & Whitt), 08/24/01 (Unincorp. Possum Kingdom), 5/25/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park and Punkin Center)
3Y dated 11/27/00 (Unincorp. Bryson)

Supersedes
See list above

Meters Read On and After
April 30, 2009

WNA-NTX-OS

TEXAS GAS SERVICE COMPANY
North Texas Area
RATE SCHEDULE WNA-ENV

WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas: 1A, 2A, 2B, 4A, and 4B. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle

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and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.

The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$WNA \text{ Rate} = WNAD, \quad \text{where}$$

$$CV$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$WNAD = (HDD \text{ Diff} * CB * WF) * \text{COS rate}, \text{ where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case as listed below.

CV = Current Volumes for the billing period.

Weather Factors from most recent rate case by class:

- Residential 0.13197
- Commercial 0.37721
- Large Commercial 10.64749
- Public Authority 1.73743
- Large Public Authority 15.61800

Applicable weather station is Abilene, Texas.

D. FILING WITH THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule Meters Read On
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RATE ADJUSTMENT PROVISIONS

None

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30186	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5344	04/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4268	04/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC)			
30200	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

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30201	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4379	04/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5571	06/01/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4495	06/01/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

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30199	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC			
30200	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4605	06/01/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA			
30190	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5901	06/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

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30197	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5707	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

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30195	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21339

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30193	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			

REASONS FOR FILING

NEW?: Y RRC DOCKET NO: 9839 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Eff. 4/30/09, unincorp. areas became 'NTX AREA' with new tariffs. Per Docket 9839, RRC aprvd COG,COSA,COSA-Rider, WNA. No changes to QSR and Line Ext.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/30/2009 ORIGINAL CONTRACT DATE: 04/30/2009 RECEIVED DATE: 05/20/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-ENV-NTX-OS-COSAD	TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1-ENV COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the unincorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Puntkin Center, Texas. A filing under this tariff is made in lieu of a filing under the Gas Reliability Infrastructure Program (GRIP) statute, Texas Utilities Code Ann, Section 104.301. The Company may not seek recovery under both the COSA tariff and the GRIP statute for the same time period. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. All information will be presented by FERC account number with supporting calculations at the time of filing. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all weather-normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) Uncollectible expense factor to remain constant at 0.0078684. * Based on the last city and Commission

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

RATE SCHEDULESCHEDULE IDDESCRIPTION

(RRC) approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax.

2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in Service

Plus: Other Rate Base Items*

Less: Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Deferred Federal Income Taxes

* These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.

3. Federal Income Taxes

Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Multiplied by: Tax Factor (.35/(1-.35) or .53846)

4. Cost of Service Adjustment Rate

The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be shown as a separate line item on the customer's monthly bill..

* The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

5. Attestation

A sworn statement shall be filed by the Company's Manager of Rates of Texas Gas Service Company, affirming that the filed schedules are in compliance with the provisions of this tariff and are true and correct to the best of his/her knowledge, information, and belief. No testimony shall be filed.

6. Proof of Revenues

The Company shall also provide a schedule demonstrating the proof of revenues relied upon to calculate the proposed cost of service adjustment rate. The proposed rates shall conform as closely as practicable to the revenue allocation

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

All applicable fees and taxes will be added to the above rate.

Initial Rate Schedule
 Meters Read On and After

April 30, 2009

1-ENV-NTX-OS-COG

TEXAS GAS SERVICE COMPANY
 North Texas Area
 RATE SCHEDULE 1-ENV

COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyrn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a Reconciliation Component and related fees and taxes, and other purchased gas expenses.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

RATE SCHEDULESCHEDULE IDDESCRIPTION

during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

RATE SCHEDULESCHEDULE IDDESCRIPTION

the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

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

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3.
6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3.
7. This report shall be filed concurrently with the Cost of Gas Statement for

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

8. Transition from the preceding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Meters Read On and After
 April 30, 2009

Supersedes Rate Schedules:

- 1-ENV dated 5/25/01 (Unincorp. Breckenridge)
- 1 dated 8/24/01 (Unincorp. Graham)
- 1 dated 8/24/01 (Unincorp. Jacksboro, Bryson & Jermyn)
- 1 dated 11/26/01 (Unincorp. Min. Wells, Graford, Millsap, Palo Pinto, Whitt, and Perrin)
- 1 dated 7/26/01 (Unincorp. Possum Kingdom)
- 1 dated 8/24/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park , & Punkin Center)

3B-NTX-OS

TEXAS GAS SERVICE COMPANY
 North Texas Area
 RATE SCHEDULE 3B

LARGE VOLUME INDUSTRIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government, with monthly usage greater than 2,900 Ccf, on average.

- Division B - Mining - all Major Groups
- Division D - Manufacturing - all Major Groups
- Divisions E and J - Utility and Government - facilities generating power for Resale only.

TERRITORY

All customers served by the Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

COST OF SERVICE RATE

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

During each monthly billing period:
 A Customer Charge of \$ 400.00 plus
 All Ccf at \$ 0.13680 per Ccf

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-ENV.

Cost of Service Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Cost of Service Adjustment Rider, Rate Schedule 1-1-ENV RIDER. Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.

2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.

This Rate Schedule replaces Large Volume Industrial Rate Schedules:

- 3A dated 11/27/00 (Unincorp. Jacksboro and Jermyn)
- 3C dated 5/25/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park and Punkin Center)
- 3B dated 11/27/00 (Unincorp. Bryson)
- 3F dated 11/26/01 (Unincorp. Mineral Wells, Graford, Millsap, Palo Pinto, Perrin & Whitt)

Supersedes
See list above

Meters Read On and After
April 30, 2009

WNA-NTX-OS

TEXAS GAS SERVICE COMPANY
North Texas Area
RATE SCHEDULE WNA-ENV

WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas: 1A, 2A, 2B, 4A, and 4B. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

RATE SCHEDULE

SCHEDULE IDDESCRIPTION

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.

The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD} \times \text{CV} \quad \text{where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} \times \text{CB} \times \text{WF}) \times \text{COS rate, where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case as listed below.

CV = Current Volumes for the billing period.

Weather Factors from most recent rate case by class:

Residential 0.13197

Commercial 0.37721

Large Commercial 10.64749

Public Authority 1.73743

Large Public Authority 15.61800

Applicable weather station is Abilene, Texas.

D. FILING WITH THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule
and After

Meters Read On

April 30, 2009 (Unincorporated areas)

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30186	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5344	04/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4268	04/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC)			
30200	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30201	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4379	04/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5571	06/01/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4495	06/01/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30199	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC			
30200	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4605	06/01/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA			
30190	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5901	06/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30197	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5707	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30195	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21340

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30193	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			

REASONS FOR FILING

NEW?: Y RRC DOCKET NO: 9839 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Eff. 4/30/09, unincorp. areas became 'NTX AREA' with new tariffs. Per Docket 9839, RRC aprvd COG,COSA,COSA-Rider, WNA. No changes to QSR and Line Ext.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21341

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/30/2009 ORIGINAL CONTRACT DATE: 04/30/2009 RECEIVED DATE: 05/20/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-ENV-NTX-OS-COSAD	TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1-ENV COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the unincorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas. A filing under this tariff is made in lieu of a filing under the Gas Reliability Infrastructure Program (GRIP) statute, Texas Utilities Code Ann, Section 104.301. The Company may not seek recovery under both the COSA tariff and the GRIP statute for the same time period. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. All information will be presented by FERC account number with supporting calculations at the time of filing. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all weather-normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) Uncollectible expense factor to remain constant at 0.0078684. * Based on the last city and Commission

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21341

RATE SCHEDULESCHEDULE IDDESCRIPTION

(RRC) approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax.

2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in Service

Plus: Other Rate Base Items*

Less: Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Deferred Federal Income Taxes

* These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.

3. Federal Income Taxes

Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Multiplied by: Tax Factor (.35/(1-.35) or .53846)

4. Cost of Service Adjustment Rate

The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be shown as a separate line item on the customer's monthly bill..

* The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

5. Attestation

A sworn statement shall be filed by the Company's Manager of Rates of Texas Gas Service Company, affirming that the filed schedules are in compliance with the provisions of this tariff and are true and correct to the best of his/her knowledge, information, and belief. No testimony shall be filed.

6. Proof of Revenues

The Company shall also provide a schedule demonstrating the proof of revenues relied upon to calculate the proposed cost of service adjustment rate. The proposed rates shall conform as closely as practicable to the revenue allocation

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21341

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

All applicable fees and taxes will be added to the above rate.

Initial Rate Schedule
 Meters Read On and After

April 30, 2009

1-ENV-NTX-OS-COG

TEXAS GAS SERVICE COMPANY
 North Texas Area
 RATE SCHEDULE 1-ENV

COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyrn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a Reconciliation Component and related fees and taxes, and other purchased gas expenses.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21341

RATE SCHEDULESCHEDULE IDDESCRIPTION

during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average,

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the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

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

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3.
6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3.
7. This report shall be filed concurrently with the Cost of Gas Statement for

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October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

8. Transition from the preceding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Meters Read On and After
April 30, 2009

Supersedes Rate Schedules:

1-ENV dated 5/25/01 (Unincorp. Breckenridge)
1 dated 8/24/01 (Unincorp. Graham)
1 dated 8/24/01 (Unincorp. Jacksboro, Bryson & Jermyn)
1 dated 11/26/01 (Unincorp. Min. Wells, Graford, Millsap, Palo Pinto, Whitt, and Perrin)
1 dated 7/26/01 (Unincorp. Possum Kingdom)
1 dated 8/24/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park , & Punkin Center)

4A-NTX-OS

TEXAS GAS SERVICE COMPANY
North Texas Area
RATE SCHEDULE 4A
PUBLIC AUTHORITY SERVICE RATE

APPLICABILITY

Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts, with monthly usage of 2,900 Ccf or less, on average.

TERRITORY

All customers served by the Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$ 40.00 plus
All Ccf at \$ 0.18670 per Ccf

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-ENV.

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Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Cost of Service Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Cost of Service Adjustment Rider, Rate Schedule 1-1-ENV RIDER.

Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.

This Rate Schedule replaces Public Authority Rate Schedules:

4Z dated 05/25/01 (Unincorp. Breckenridge), 01/28/91 (Unincorp. Graham), 11/27/00 (Unincorp. Jacksboro and Jermyn), 11/26/01 (Unincorp. Mineral Wells, Graford, Millsap, Palo Pinto, Perrin & Whitt), 08/24/01 (Unincorp. Possum Kingdom), 5/25/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park and Punkin Center)
4Y dated 11/27/00 (Unincorp. Bryson)

Supersedes

See list above

Meters Read On and After

April 30, 2009

WNA-NTX-OS

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE WNA-ENV

WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas: 1A, 2A, 2B, 4A, and 4B. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is

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multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.

The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \text{WNAD} \cdot \text{CV} \quad \text{where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} \cdot \text{CB} \cdot \text{WF}) \cdot \text{COS rate, where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case as listed below.

CV = Current Volumes for the billing period.

Weather Factors from most recent rate case by class:

- Residential 0.13197
- Commercial 0.37721
- Large Commercial 10.64749
- Public Authority 1.73743
- Large Public Authority 15.61800

Applicable weather station is Abilene, Texas.

D. FILING WITH THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule and After April 30, 2009 (Unincorporated areas) Meters Read On

RATE ADJUSTMENT PROVISIONS

None

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30186	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5344	04/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4268	04/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC)			
30200	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

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30201	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4379	04/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5571	06/01/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4495	06/01/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

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<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30199	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC			
30200	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4605	06/01/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA			
30190	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5901	06/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

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30197	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5707	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

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CUSTOMERS				
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30195	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21341

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30193	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			

REASONS FOR FILING

NEW?: Y RRC DOCKET NO: 9839 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Eff. 4/30/09, unincorp. areas became 'NTX AREA' with new tariffs. Per Docket 9839, RRC aprvd COG,COSA,COSA-Rider, WNA. No changes to QSR and Line Ext.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/30/2009 ORIGINAL CONTRACT DATE: 04/30/2009 RECEIVED DATE: 05/20/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
1-1-ENV-NTX-OS-COSAD	TEXAS GAS SERVICE COMPANY North Texas Area RATE SCHEDULE 1-1-ENV COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all general service rate schedules of Texas Gas Service Company currently in force in the Company's service area within the unincorporated areas of Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas. A filing under this tariff is made in lieu of a filing under the Gas Reliability Infrastructure Program (GRIP) statute, Texas Utilities Code Ann, Section 104.301. The Company may not seek recovery under both the COSA tariff and the GRIP statute for the same time period. B. EFFECTIVE DATE Rate adjustments shall be made in accordance with the procedures described below on an annual basis. The Company shall make its annual filing no later than April 1, with rate adjustments to be effective the first billing cycle of August each year. C. COMPONENTS OF RATE ADJUSTMENT Calculation of the rate adjustment will be based on calendar year operating expenses, return on investment, federal income taxes and revenue related taxes. All information will be presented by FERC account number with supporting calculations at the time of filing. The actual percentage change in the revenue requirement in any year shall not exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) from December of the prior calendar year to December of the current calendar year. The actual percentage change in the revenue requirement is computed by comparing the revenue requirement for the current calendar year to the revenue requirement after gross-ups for the prior calendar year. The rate adjustment will be spread evenly across all weather-normalized gas sales volumes for the calendar year to determine an adjustment amount per Ccf to be added to existing rates for each rate code. 1. Operating Expenses Operating expenses will be determined by the ending balances for the applicable calendar year. The applicable expenses are: Depreciation and Amortization Expense (Account No. 403-405)* Taxes Other Than FIT (Account No. 408)** Distribution Expenses (Account Nos. 870-894) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932, except 928) Interest on Customer Deposits (Account No. 431) Uncollectible expense factor to remain constant at 0.0078684. * Based on the last city and Commission

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

RATE SCHEDULESCHEDULE IDDESCRIPTION

(RRC) approved depreciation methods and lives. ** Excluding City Franchise, Gross Receipts, and any other revenue-based tax.

2. Return on Investment The rate of return will remain constant at the level authorized in the most recent rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year end. The rate base balance is composed of:

Net Plant in Service

Plus: Other Rate Base Items*

Less: Customer Deposits (Account No. 235)

Customer Advances (Account No. 252)

Deferred Federal Income Taxes

* These items will reflect the Materials and Supplies inventories and prepayments levels approved in the most recent general rate case.

3. Federal Income Taxes

Calendar year federal income taxes will be calculated as follows:

Net Taxable Income (calendar year end rate base multiplied by rate of return from the most recent general rate case)

Less: Interest on Long Term Debt (debt cost component of return from the most recent general rate case multiplied by rate base)

Multiplied by: Tax Factor (.35/(1-.35) or .53846)

4. Cost of Service Adjustment Rate

The amount to be collected through the cost of service adjustment rate will be the sum of the amounts from Sections C.1 through C.3 (the revenue requirement) less the calendar year customer charge revenue and other revenue (i.e., transportation revenue and service charges). Dividing this amount by weather-normalized gas sales volumes for the applicable calendar year will yield a per unit rate for the calendar year. The difference between this calendar year per unit rate and the per unit rate from the most recent rate case (*) will result in the cost of service adjustment rate for the calendar year. The cost of service adjustment rate for the calendar year will be shown as a separate line item on the customer's monthly bill..

* The per unit rate from the most recent rate case will be the weighted average per unit cost of service rate for all classes of gas sales service.

5. Attestation

A sworn statement shall be filed by the Company's Manager of Rates of Texas Gas Service Company, affirming that the filed schedules are in compliance with the provisions of this tariff and are true and correct to the best of his/her knowledge, information, and belief. No testimony shall be filed.

6. Proof of Revenues

The Company shall also provide a schedule demonstrating the proof of revenues relied upon to calculate the proposed cost of service adjustment rate. The proposed rates shall conform as closely as practicable to the revenue allocation

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

RATE SCHEDULESCHEDULE IDDESCRIPTION

All applicable fees and taxes will be added to the above rate.

Initial Rate Schedule
Meters Read On and After

April 30, 2009

1-ENV-NTX-OS-COG

TEXAS GAS SERVICE COMPANY
North Texas Area
RATE SCHEDULE 1-ENV

COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyrn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a Reconciliation Component and related fees and taxes, and other purchased gas expenses.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.

3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility.

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

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

RATE SCHEDULESCHEDULE IDDESCRIPTION

during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, not to exceed 0.82% of cost of gas revenues and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

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

C. COST OF GAS

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average,

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

RATE SCHEDULESCHEDULE IDDESCRIPTION

the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

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

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. Along with the Cost of Gas Statement, the Company shall include a detailed description of financial instruments executed by the Company as described in Section B.3. Definition of Cost of Purchased Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. A detailed description of the settlement and impact of financial instruments utilized by the Company as described in Section B.3.
6. An affidavit signed by an officer of the utility stating that neither TGS, its parent company ONEOK, Inc., nor an affiliate has made a profit on the utilization of financial instruments that are executed by the Company for the purpose of mitigating price volatility, as described in Section B.3.
7. This report shall be filed concurrently with the Cost of Gas Statement for

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

RATE SCHEDULESCHEDULE IDDESCRIPTION

October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

8. Transition from the preceding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report. This report shall be filed concurrently with the Cost of Gas Statement for December.

Meters Read On and After
April 30, 2009

Supersedes Rate Schedules:

1-ENV dated 5/25/01 (Unincorp. Breckenridge)

1 dated 8/24/01 (Unincorp. Graham)

1 dated 8/24/01 (Unincorp. Jacksboro, Bryson & Jermyn)

1 dated 11/26/01 (Unincorp. Min. Wells, Graford, Millsap, Palo Pinto, Whitt, and Perrin)

1 dated 7/26/01 (Unincorp. Possum Kingdom)

1 dated 8/24/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park, & Punkin Center)

4B-NTX-OS

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE 4B

LARGE VOLUME PUBLIC AUTHORITY SERVICE RATE

APPLICABILITY

Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts, with monthly usage greater than 2,900 Ccf, on average.

TERRITORY

All customers served by the Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom, and Punkin Center, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of \$ 400.00 plus

All Ccf at \$ 0.16670 per Ccf

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

computed in accordance with the provisions of Rate Schedule 1-ENV.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Cost of Service Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Cost of Service Adjustment Rider, Rate Schedule 1-1-ENV RIDER.

Taxes: Plus applicable taxes and fees related to above.

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.

2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served.

This Rate Schedule replaces Large Volume Public Authority Rate Schedules:

4A dated 11/27/00 (Unincorp. Jacksboro and Jermyn)

4B dated 11/27/00 (Unincorp. Bryson)

4C dated 5/25/01 (Unincorp. Weatherford, Aledo, Hudson Oaks, Willow Park and Punkin Center)

4F dated 11/26/01 (Unincorp. Mineral Wells, Graford, Millsap, Palo Pinto, Perrin & Whitt)

Supersedes See list above

Meters Read On and After April 30, 2009

WNA-NTX-OS

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE WNA-ENV

WEATHER NORMALIZATION ADJUSTMENT CLAUSE

A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the unincorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro, Bryson, Jermyn, Palo Pinto, Perrin, Whitt, Possum Kingdom and Punkin Center, Texas: 1A, 2A, 2B, 4A, and 4B. The WNA shall be effective during the September through May billing cycles.

B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis.

The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \frac{\text{WNAD}}{\text{CV}}, \quad \text{where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate}, \quad \text{where}$$

HDD Diff = (Normal HDD - Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case as listed below.

CV = Current Volumes for the billing period.

Weather Factors from most recent rate case by class:

- Residential 0.13197
- Commercial 0.37721
- Large Commercial 10.64749
- Public Authority 1.73743
- Large Public Authority 15.61800

Applicable weather station is Abilene, Texas.

D. FILING WITH THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file with the RRC monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the RRC an annual report verifying the past year's WNA collections or refunds.

Initial Rate Schedule Meters Read On
 and After
 April 30, 2009 (Unincorporated areas)

RATE ADJUSTMENT PROVISIONS

None

**GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT**

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30186	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.4868	04/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5344	04/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4268	04/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3961	04/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC)			
30200	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30201	N	Ccf	\$.5230	04/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4379	04/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5095	06/01/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5571	06/01/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4495	06/01/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4188	06/01/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	ALED0 - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30199	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC			
30200	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5457	06/01/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4605	06/01/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA			
30190	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5425	06/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5901	06/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4518	06/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30197	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5787	06/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4825	06/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.5231	07/30/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.5707	07/30/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			
30193	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30195	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.4324	07/30/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC)			
30200	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.5593	07/30/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.4631	07/30/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			
30186	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAFORD - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30187	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MILLSAP - ENV(NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30188	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	MINERAL WELLS - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30189	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PALO PINTO (PALO PINTO CO) - ENV (NTX AREA at 4/30/09, previous M.WELLS SVC AREA)			
30190	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PERRIN (JACK CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30191	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WHITT (PARKER CO) - ENV (NTX AREA at 4/30/09, previously MINERAL WELLS SVC AREA)			
30192	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRECKENRIDGE - ENV (NTX AREA at 4/30/09)			

GAS SERVICES DIVISION
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RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21342

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
30193	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	GRAHAM - ENV (NTX AREA at 4/30/09)			
30194	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	BRYSON - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30195	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JACKSBORO - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30196	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	JERMYN (JACK CO) - ENV (NTX AREA at 4/30/09, previously JACKSBORO SVC AREA)			
30197	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	ALEDO - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30198	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	HUDSON OAKS - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30199	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	PUNKIN CENTER (PARKER CO) - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30200	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WEATHERFORD - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30201	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	WILLOW PARK - ENV (NTX AREA at 4/30/09, previously WEATHERFORD SVC AREA)			
30202	N	Ccf	\$.3906	08/28/2009
<u>CUSTOMER NAME</u>	POSSUM KINGDOM - ENV (NTX AREA at 4/30/09)			

REASONS FOR FILING

NEW?: Y RRC DOCKET NO: 9839 CITY ORDINANCE NO:

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): Eff. 4/30/09, unincorp. areas became 'NTX AREA' with new tariffs. Per Docket 9839, RRC aprvd COG,COSA,COSA-Rider, WNA. No changes to QSR and Line Ext.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
C	Industrial Sales
<u>OTHER TYPE DESCRIPTION</u>	
D	Public Authority Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21465

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 06/30/2009 ORIGINAL CONTRACT DATE: 06/30/2009 RECEIVED DATE: 07/28/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
CAC-CTX-IS-Conser	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CAC CONSERVATION ADJUSTMENT CLAUSE A. APPLICABILITY The Conservation Adjustment Clause (CAC) shall apply to all rate schedules of Texas Gas Service Company (Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. The CAC rate shall be adjusted annually and applied to subsequent usage for each customer class. B. COMPUTATION OF CAC RATE The CAC rate for a given year will be separately calculated for each individual customer class according to the following: CAC Rate = (BCD + PYUC) or (BCD - PYOC) NV BCD = Budgeted conservation dollars for each individual rate class during the upcoming fiscal year. These dollars will be submitted for the City of Austin's approval 30 days prior to the beginning of the upcoming fiscal year. If no action is taken by the City of Austin within 30 days, the budget will automatically be approved. PYUC = Accumulated under collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. PYOC = Accumulated over collection from prior years for each individual rate class, or the actual amount collected in prior years minus the actual amount disbursed in prior years. NV = Actual volumes from the prior fiscal year (normalized for weather and growth/attrition) listed in Ccf for each rate class. C. FILING WITH THE CITY OF AUSTIN The following documents will be filed with the City of Austin: a) A schedule indicating the new CAC rates for each of the effected rate classes, to be filed within 30 days of implementation. b) An annual report of the prior fiscal year collections and disbursements, to be filed within 90 days of the prior fiscal year end. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated September 24, 2002 (Austin) December 23, 2002 (Sunset Valley)</p>
CNG-1-CTX-IS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE CNG-1 COMPRESSED NATURAL GAS SERVICE RATE APPLICABILITY Applicable to any non-residential customer for usage where customer purchases natural gas which will be compressed and used as a motor fuel. Service will be separately metered. This rate does not include compression by the Company beyond normal meter sales pressure. TERRITORY All incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. COST OF SERVICE RATE During each monthly billing period: A customer charge per meter per month of \$25.00 plus All Ccf per monthly billing period @ \$.07018 per Ccf OTHER ADJUSTMENTS In addition to the Cost of Service charges set forth above, each customer's bill shall include the following: 1. The Cost of Gas for the billing month determined in accordance with the provisions of the Cost of Gas Clause, Rate Schedule 1-INC. 2. Adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule CAC, if applicable. 3. Adjustments in accordance with the provisions of the Relocation Cost Recovery Rate Schedule RCR, if applicable. 4. All applicable taxes and fees (including franchise fees). CONDITIONS 1. Subject in all respects to applicable laws, rules, and regulations from time to time in</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DS RRC TARIFF NO: 21465

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

effect. 2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threaten shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served. 3. The Company's ABC Plan is not available to customers taking this service. 4. This rate does not include any road use fees, permits, or taxes etc. It provides for the delivery of uncompressed natural gas only. 5. Customer must provide affidavit to the Company certifying that the gas delivered will be compressed for use as motor fuel. 6. Compressor station subject to inspection by Company engineers. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated January 1, 1988

PSF-All-ISOS-PipeFee

TEXAS GAS SERVICE COMPANY All Service Areas RATE SCHEDULE PSF PIPELINE SAFETY PROGRAM FEES TEXAS ADMINISTRATIVE CODE TITLE 16 ECONOMIC REGULATION PART 1 RAILROAD COMMISSION OF TEXAS CHAPTER 8 PIPELINE SAFETY REGULATIONS SUBCHAPTER C REQUIREMENTS FOR NATURAL GAS PIPELINES ONLY Rule 8.201 Pipeline Safety Program Fees (a) Pursuant to Texas Utilities Code, 121.211, the Commission establishes a pipeline safety inspection fee, to be assessed annually against operators of natural gas distribution pipelines and pipeline facilities and natural gas master metered pipelines and pipeline facilities subject to the Commission's pipeline safety jurisdiction under Texas Utilities Code, Chapter 121. The total amount of revenue estimated to be collected under this section does not exceed the amount the Commission estimates to be necessary to recover the costs of administering the pipeline safety program under Texas Utilities Code, Chapter 121, excluding costs that are fully funded by federal sources, for any fiscal year. (b) The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety program fee of \$0.50 for each service (service line) reported to be in service at the end of each calendar year by each system operator on the Distribution Annual Report, Form F7100.1-1, to be filed on March 15 of each year. (1) Each operator of a natural gas distribution system shall calculate the total amount of the annual pipeline safety program fee to be paid to the Commission by multiplying the number of services listed in Part B, Section 3, of Department of Transportation (DOT) Distribution Annual Report, Form F7100.1-1, due to be filed on March 15 of each year, by \$0.50. (2) Each operator of a natural gas distribution system shall remit to the Commission on March 15 of each year, the amount calculated under paragraph (1) of this subsection. (3) Each operator of a natural gas distribution system shall recover, by a surcharge to its existing rates, the amount the operator paid to the Commission under paragraph (1) of this subsection. The surcharge: (A) shall be a flat rate, one-time surcharge; (B) shall not be billed before the operator remits the pipeline safety program fee to the Commission; (C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission; (D) shall not exceed \$0.50 per service or service line (For calendar year 2009 the annual pipeline safety program fee, effective with meters read on and after March 31, 2009, Texas Gas Service Company will bill all customers a one-time customer charge per bill of \$0.46, based on \$0.50 per service line) ; and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, 101.003. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each operator of a natural gas distribution system shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer;

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RATE SCHEDULE

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DESCRIPTION

(C) the date or dates on which the surcharge was billed to customers; and
 (D) the total amount collected from customers from the surcharge. (5) Each operator of a natural gas distribution system that is a utility subject to the jurisdiction of the Commission pursuant to Texas Utilities Code, Chapters 101-105, shall file a generally applicable tariff for its surcharge in conformance with the requirements of 7.315 of this title, relating to Filing of Tariffs. (6) Amounts recovered from customers under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system shall not be included in the revenue or gross receipts of the system for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122, nor shall such amounts be subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3, Tax Code. (c) The Commission hereby assesses each master meter system an annual inspection fee of \$100 per master meter system. (1) Each operator of a natural gas master meter system shall pay the annual inspection fee of \$100 per master meter system no later than June 30 of each year. (2) The Commission shall send an invoice to each affected natural gas master meter operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter operator to receive an invoice shall not exempt the natural gas master meter operator from its obligation to remit the annual pipeline safety program fee on June 30 each year. (3) Each operator of a natural gas master meter system shall recover as a surcharge to its existing rates the amounts paid to the Commission under this subsection. (4) No later than 90 days after the last billing cycle in which the pipeline safety program fee surcharge is billed to customers, each master meter operator shall file with the Commission's Gas Services Division and the Safety Division a report showing: (A) the pipeline safety program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge. (d) If an operator of a natural gas distribution system or a natural gas master meter system does not submit payment of the annual inspection fee to the Commission within 30 days of the due date, the Commission shall assess a late payment penalty of 10 percent of the total assessment due under subsection (b) or (c) of this section, as applicable, and shall notify the operator. Source Note: The provisions of this 8.201 adopted to be effective September 8, 2003, 28 TexReg 7682; amended to be effective November 24, 2004, 29 TexReg 10733; amended to be effective May 15, 2005, 30 TexReg 2849; amended to be effective December 19, 2005, 30 TexReg 8428; amended to be effective April 18, 2007, 32 TexReg 2136; amended to be effective November 12, 2007, 32 Tex Reg 8121 Supersedes Same Sheet Dated Meters Read On and After March 31,2008
 March 31, 2009

RCR-CTX-IS-Reloc

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR
 RELOCATION COST RECOVERY A. APPLICABILITY This Relocation Cost Recovery (RCR) rate schedule shall apply to the following rate schedules for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas: 10, 20, 22, 30, 32, 40, 42, 48, CNG-1 and T-1. B. PURPOSE Section 104.112 of the Texas Utility Code, effective on September 1, 1999, allows recovery of the costs of relocating natural gas facilities to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or

GAS SERVICES DIVISION
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another entity having the power of eminent domain that are not reimbursed by the entity requiring the relocation. This rate schedule establishes the cost recovery provisions consistent with Subchapter C, Chapter 104, Texas Utilities Code. RCR rates shall be established through applications filed with the regulatory authority (Section E) consistent with this rate schedule. C. COMPUTATION OF RCR RATE The RCR rate for a given recovery period will be calculated according to the following formula: RCR Rate = CPRC + PPRC NV CPRC = Relocation costs for the current recovery period. PPRC = Under collection or over collection from any prior RCR rates. NV = Normalized volumes (in Ccf) for the recovery period (for the applicable rate schedules). Recovery Period = No less than one year or more than three years. RCR rates may be revised each quarter. All applicable fees and taxes will be added to the RCR rates. D. BILLING The RCR rate, pursuant to Rate Schedule RCR-RIDER, shall be included as a separate adjustment (per Ccf rate) to the base bill for the rate schedules listed in Section A above. E. FILING WITH THE REGULATORY AUTHORITY No less than thirty-five days before implementation of an RCR rate, the Company shall file an application with the appropriate regulatory authority that shall include the following: 1. Documentation demonstrating the requirement of each relocation. 2. Documentation demonstrating the entity requesting each relocation. 3. Schedules showing the costs incurred for each project, considering the costs of comparable facilities. 4. The RCR rate to be implemented with supporting calculations. 5. Documentation demonstrating that reasonable efforts were made to receive reimbursement from the entity requiring each relocation, if applicable. 6. A schedule showing RCR collections, including any over or under collections from prior RCR rate applications. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated November 30, 2005 and replaces Rate Sch RCR dated 12/29/03 (Kyle)

RCR-Rider-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE RCR-RIDER RELOCATION COST RECOVERY RATE A. APPLICABILITY The Relocation Cost Recovery (RCR) rate, as set forth in Section (B) below and pursuant to Rate Schedule RCR, shall apply to the rate schedules as listed in Section A of Rate Schedule RCR for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT RCR RATE Effective Date RCR Rate Meters Read On and After December 02, 2008 (9th RCR Filing) \$ 0.0093 per Ccf (Note 1)
Total RCR Rate \$ 0.0093 per Ccf All applicable fees and taxes will be added to the above rate. Note 1: The 9th filing RCR rate is applicable to Austin, Cedar Park, Rollingwood, Sunset Valley and West Lake Hills only. Future Central Texas Service Area RCR rate filings will be filed with all the cities listed in Section A above. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) Supersedes Same Sheet Dated December 02, 2008 and replaces Rate Sch RCR-Rider dated 12/29/03 (Kyle)

WNA-CTX-IS

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE WNA WEATHER NORMALIZATION ADJUSTMENT CLAUSE A. APPLICABILITY The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of the Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills: 10, 20, 22, 40, 42, and 48. The WNA shall be effective during the September through May billing cycles. B. PURPOSE The WNA refunds over-collections or surcharges under-collections of revenue due to colder

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or warmer than normal weather, as established in the Company's most recent rate filing. C. WNA MECHANISM In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula: $WNA\ Rate = WNAD,$ where

CV $WNAD =$ Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula: $WNAD = (HDD\ Diff * CB * WF) * COS\ rate,$ where $HDD\ Diff = (Normal\ HDD - Actual\ HDD),$ the difference between normal and actual heating degree days for the billing period. $CB =$ Number of customers billed for the billing period. $WF =$ Weather factor determined for each rate schedule in the most recent rate case. $CV =$ Current Volumes for the billing period. D. FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC) The Company will file with the Cities and the RRC monthly reports showing the rate adjustments for each applicable rate schedule.

Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park) This Rate Schedule Replaces Weather Normalization Clause: WNC dated 7/1/93 (for CTX - excluding Cedar Park)

1-INC-CTX-IS-COG

TEXAS GAS SERVICE COMPANY
RATE SCHEDULE NO. 1-INC
Central Texas Service Area
COST OF GAS CLAUSE

A. APPLICABILITY

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company (The Company) in all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the Commodity Cost, the Reconciliation Component, any surcharges or refunds, Uncollectible Cost of Gas, and the revenue associated fees (including franchise fees) and taxes.

2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio plus an adjustment for any known and quantifiable under or over collection prior to the end of the reconciliation period.

3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the

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Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable costs for services such as gathering, treating, processing, transportation, capacity and/or supply reservation, storage, balancing including penalties, and swing services necessary for the movement of gas to the Company's city gate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating price volatility. Companies affiliated with the Company shall not be allowed to charge fees for transactions related to natural gas financial instruments utilized for purposes in this Cost of Gas Clause and hence can not realize a profit in this regard. The Cost of Purchased Gas may also include costs related to the purchase and transportation of Renewable Natural Gas (RNG).

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

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

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased by general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the Cost of Gas Clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) amounts accrued pursuant to the treatment of imbalances under any transportation rate schedule(s), (e) total amount of Uncollectible Cost of Gas during the period, and (f) total amount of Pipeline Integrity costs during the

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period.

8. Uncollectible Cost of Gas - the amounts actually written off after the effective date of this rate schedule related to cost of gas.

9. Pipeline Integrity Costs - the costs incurred in order to comply with the Texas Railroad Commission's Pipeline Integrity Assessment and Management Plan rule, 16 Tex. Admin. Code Section 8.101 and any other future Railroad Commission rules related to integrity management plans.

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

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the October billing cycle through the June billing cycle preceding the filing of the Reconciliation Audit. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied, subject to refund, for a nine (9) month period beginning with the October billing cycle and continuing through the next June billing cycle at which time it will terminate.

E. INTEREST ON FUNDS Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month within the period of audit. The Company shall debit or credit to the Reconciliation Account for each month of the reconciliation period: (1) an amount equal to the outstanding over collected balance multiplied by interest of 6% per annum compounded monthly; or, (2) an amount equal to the outstanding under collected balance multiplied by interest of 6% per annum compounded monthly. The Company shall also be allowed to recover a carrying charge calculated based on the arithmetic average of the beginning and ending balance of gas in storage inventory for the prior calendar month times the authorized rate of return.

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

G. COST OF GAS STATEMENT The Company shall file a Cost of Gas Statement with

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the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; (e) the revenue associated fees (including franchise fees) and taxes to be applied to revenues generated by the Cost of Gas; (f) the Cost of Gas calculation, including the gains and losses from hedging activities for the month; and (g) the beginning and ending date of the billing period. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas.

H. ANNUAL RECONCILIATION REPORT The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the hedging activities conducted each month during the twelve months ending June 30, including the types of transaction used, resulting gains and losses, any changes in the hedging program implemented during the period and the rationale for the changes. The report should include the customer impact of hedging activities stated as costs to the average residential and commercial customer during the period. 5. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. 6. A description of uncollectible cost of gas during the period and its effect on the Cost of Gas Clause to date. 7. A description of pipeline integrity costs during the period and its effect on the Cost of Gas Clause to date. This report shall be filed concurrently with the Cost of Gas Statement for October. If the Regulatory Authority thereafter determines that an adjustment to the Reconciliation Component is required, such adjustment shall be included in the Reconciliation Component for the next annual Reconciliation Audit following the date of such determination.

Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009 (City of Cedar Park)

This Rate Schedule Replaces Cost of Gas Clause:

- 1-INC dated 9/8/08 (Austin),
- 1-INC dated 6/2/08 (Sunset Valley, Rollingwood, West Lake Hills and Cedar Park) and
- 1-INC dated 12/29/03 (Kyle)

1C-CTX-IS-CAC Adj

TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE 1C
CONSERVATION ADJUSTMENT CLAUSE RATE A. APPLICABILITY The Conservation Adjustment Clause (CAC) rate, calculated pursuant to Rate Schedule CAC, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Cedar Park, Kyle, Rollingwood, Sunset Valley and West Lake Hills, Texas. B. CURRENT CAC RATE

Rate	*Conservation	Schedule	Customer Class	Rate	10
Residential Service	\$.0205	20	Commercial	\$.0052	22 Large Volume

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Commercial \$.0254 30 Industrial \$.0122 32 Large Volume Industrial \$
 .0000 *The Conservation Rate will change annually pursuant to Rate Schedule
 CAC. Meters Read On and After June 30, 2009 (Other Cities) July 17, 2009
 (City of Cedar Park) Supersedes Same Sheet Dated January 2 , 2007 (Austin &
 Sunset Valley)

RATE ADJUSTMENT PROVISIONS

None

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TARIFF CODE: DS RRC TARIFF NO: 21465

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
8844	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.5405	06/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.5195	06/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.5052	06/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8843	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			

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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>
8848	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4820	07/30/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			
11210	N	Ccf	\$.4964	07/30/2009
<u>CUSTOMER NAME</u>	KYLE - INC			
8843	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8844	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WB LIBRARY DIST.) - INC (CENTRAL TX SVC AREA)			
8845	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8846	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	AUSTIN (WNC) - INC (CENTRAL TX SVC AREA)			
8847	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	BERGSTROM - INC (CENTRAL TX SVC AREA)			
8848	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (TRAVIS CO) - INC (CENTRAL TX SVC AREA)			
8849	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	CEDAR PARK (WILLIAMSON CO) - INC (CENTRAL TX SVC AREA)			
8850	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	ROLLINGWOOD - INC (CENTRAL TX SVC AREA)			
8851	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	SUNSET VALLEY - INC (CENTRAL TX SVC AREA)			
8852	N	Ccf	\$.4050	08/28/2009
<u>CUSTOMER NAME</u>	WESTLAKE HILLS - INC (CENTRAL TX SVC AREA)			

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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>
11210	N	Ccf	\$.4158	08/28/2009
<u>CUSTOMER NAME</u>	KYLE - INC			

REASONS FOR FILING

NEW?: Y RRC DOCKET NO: CITY ORDINANCE NO: see 'ORD-CTX-IS'

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): New CNG rates for Central TX Inc. areas eff.6/30/09(other cities)& 7/17/09(CedarPark) per rate case filed 2/11/09(cities appvd via Ords on ORD-CTX-IS)

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
M	Other(with detailed explanation)
<u>OTHER TYPE DESCRIPTION</u>	CNG-1_Compressed Natural Gas Sales_Central Tx Svc Area - Incorporated areas