

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 10211

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 03/04/2019

**INITIAL SERVICE DATE:** 05/01/1995                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 02/01/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Change to Delivery Point's Current Rate Information effective 2/1/2019

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9659	**CONFIDENTIAL**	Y	

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<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10211
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
EP-T-14-IS-XEL	<p>EP-T-14-IS-XEL RATE COMPONENTS</p> <p>4.1 Transporter's applicable Rate Schedule (T-TERMS), as amended from time to time, shall govern the conditions under which transportation service is available. Subject to the other provisions of this Agreement, beginning on the date deliveries of gas commence hereunder, Shipper shall pay to Transporter each month, for each Mcf of gas redelivered by Transporter to Shipper at the above-described Point(s) of Redelivery during the preceding month, the sum of the following:</p> <p>(a) During each monthly billing period, a per-meter charge as set forth at Exhibit A; plus</p> <p>(b) Shipper shall pay Transporter for volumes transported during the term of this Agreement as follows:</p> <p>(i) \$0.04723 per Ccf for the first 1,800,000 Ccf delivered each contract year.</p> <p>(ii) \$0.02835 per Ccf for all volumes delivered greater than 1,800,000 Ccf during the contract year. The aforementioned rates shall escalate each contract year by 5%. The contract year is defined as each 12-month period beginning with the effective date of this Agreement. Shipper will be responsible for notifying Transporter within 30 days if volumes delivered during the contract year exceed 1,800,000 Ccf in order to receive the above rates.</p> <p>(c) All charges specified in Transporter's applicable Rate Schedule (T-1) governing transportation service at each Point of Redelivery as shown on Exhibit C, as amended from time to time; plus</p> <p>(d) Any fixed annual demand charge billed by the Transporter's gas supplier as applicable to customers with dual fuel capability for the transportation of customer owned natural gas through the Transporter's distribution system; plus</p> <p>(e) To the extent Shipper requires special handling of the gas transported hereunder, all costs (including, but not limited to, a rate of return and compensation of overhead, administration and depreciation) for compression, treating or similar services provided by Transporter; plus</p> <p>(f) All amounts for any taxes (including, but not limited to, municipal franchise fees or taxes and Article 6060 fee), fees, and Shipper's lost and unaccounted for gas volumes; plus</p> <p>(g) In addition to the other sums payable to Transporter under this Agreement, Shipper agrees to pay Transporter the full amount of any additional, new or increased taxes, fees, street rentals, license fees, franchise taxes or fees or charges of every kind and character contracted, levied or assessed by any federal, state, municipal or other governmental authority against Transporter in connection with or attributable to the transportation, delivery, redelivery, use or other handling of the gas transported on behalf of Shipper, unless Shipper has furnished Transporter satisfactory certificates showing that Shipper is exempt from the applicable taxes, fees or charges. Subject to any necessary regulatory approvals, Shipper agrees to pay this additional tax, fee or charge whether asserted on a retroactive basis or whether applied on a going forward basis; plus</p> <p>(h) Any imbalance payments owing to Transporter pursuant to the Special Provisions of Transporter's Transportation Service Tariff (Rate Schedule T-TERMS); plus</p> <p>(i) A pro-rata share of any imbalance penalties assessed against Transporter by any pipeline delivering gas supplies for Transporter's sales customers within the distribution system that includes Shipper's Delivery Points.</p> <p>4.2 Transporter retains the right to adjust the tariff rates described in Paragraph 4.1 above at any time Transporter's filed tariff rates are changed or amended.</p> <p>4.3 Shipper shall notify Transporter, in writing, of any change in Shipper's facilities, equipment, or volume of consumption, which would result in the application of a different rate schedule. Upon receipt of such notice, Transporter shall apply the appropriate rate schedule commencing with the next billing following Transporter's receipt of notice.</p>
T-TERMS-WTSA-ISO	<p>TEXAS GAS SERVICE COMPANY West Texas Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances. Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc. Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</p> <p>Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period. Day or gas day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.</p> <p>Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</p>

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.
	Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and nonhydrocarbon components thereof.
	Mcf: Shall mean one thousand (1,000) cubic feet of Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.
	Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Supplier's Aggregation Area pool of customers for such month.
	Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.
	PDA: Shall mean a predetermined allocation method.
	Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.
	Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.
	Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.
	Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.
	Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the West Texas Service Area, or the Railroad Commission of Texas, as applicable.
	Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.
	Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.
	Transportation Form: Shall mean the Company approved selection of transportation service document.
	Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.
	Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.
	Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.
	Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty six (366) consecutive Days when such period includes a February 29.
	1.3 COMPANY'S RESPONSIBILITY: Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).
	a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.
	1.4 CUSTOMER'S RESPONSIBILITY
	Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:
	a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
	b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY: Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.

e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

1.6 IMBALANCES: Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.

b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.

c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.

d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or

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**TARIFF CODE: DT                      RRC TARIFF NO: 10211**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-WTSA-IS	<p>in part, are the result of Qualified Supplier#s scheduling and/or managing the upstream transportation of the Customer#s gas to Company#s interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:</p> <p>October 5, 2016 (All Areas Except Incorporated Areas of Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett, Wink)</p> <p>December 1, 2016 (Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett, Wink)</p> <p>Supersedes Rate Schedule T-GEN and T-GEN-ENV:                      September 10, 2013, El Paso Incorp.                      July 29, 2011, El Paso Environs,                      TEXAS GAS SERVICE, a division of ONE Gas, Inc.                      RATE SCHEDULE T-1                      West Texas Service Area</p> <p style="text-align: center;"><b>TRANSPORTATION SERVICE RATE</b></p> <p>Applicability</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p>Availability</p> <p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's West Texas Service Area distribution system which includes the incorporated areas of, Andrews, Anthony, Barstow, Clint, Crane, Dell City, El Paso, Horizon City, McCamey, Monahans, Pecos, Pyote, San Elizario, Socorro, Thorntonville, Vinton, Wickett and Wink, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p> <p>Cost of Service Rate</p> <p>During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p> <p>Commercial \$400.00 per month                      plus Interim Rate Adjustments \$6.07 (Footnote 1) Total Rate \$406.07</p> <p>Cogeneration \$400.00 per month                      plus Interim Rate Adjustments \$6.07 (Footnote 2) Total Rate \$406.07</p>

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<b>TARIFF CODE: DT</b>	<b>RRC TARIFF NO: 10211</b>
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Industrial \$400.00 per month plus Interim Rate Adjustments \$150.16 (Footnote 3) Total Rate \$550.16
	Public Authority \$400.00 per month plus Interim Rate Adjustments \$23.73 (Footnote 4) Total Rate \$423.73
	Plus - All Ccf per monthly billing period listed by customer class as follows:
	Commercial The First 500 Ccf @ \$0.08223 per Ccf (Footnote 5) All Over 500 Ccf @ \$0.06223 per Ccf (Footnote 6)
	Cogeneration Oct. - Apr. (Winter) First 5,000 Ccf @ \$0.05696 per Ccf (Footnote 7) Next 95,000 Ccf @ \$0.04696 per Ccf (Footnote 8) Next 300,000 Ccf @ \$0.03696 per Ccf (Footnote 9) All Over 400,000 Ccf @ \$0.02696 per Ccf (Footnote 10)
	May - Sept. (Summer) First 5,000 Ccf @ \$0.04695 per Ccf (Footnote 11) Next 95,000 Ccf @ \$0.03694 per Ccf (Footnote 12) Next 300,000 Ccf @ \$0.02695 per Ccf (Footnote 13) All Over 400,000 Ccf @ \$0.01694 per Ccf (Footnote 14)
	Industrial The First 500 Ccf @ \$0.12458 per Ccf (Footnote 15) All Over 500 Ccf @ \$0.10458 per Ccf (Footnote 16)
	Public Authority The First 500 Ccf @ \$0.11461 per Ccf (Footnote 17) All Over 500 Ccf @ \$0.09461 per Ccf (Footnote 18)
	Additional Charges:
	1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
	2) A charge will be made each month to recover the cost of any applicable taxes and fees, including franchise fees paid to the cities.
	3) In the event the Company incurs a demand charge, balancing service rate, or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the West Texas Service Area, the customer may be charged its proportionate share of the demand charge, balancing service rate, or reservation charge based on benefit received by the customer.
	4) Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.
	5) Pipeline Integrity Testing Rider: Adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.
	Subject To
	1) Tariff T-TERMS, General Terms and Conditions for Transportation.
	2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Footnote 1: 2016 IRA - \$3.55 (GUD No. 10612) revised to \$3.16 (GUD No. 10713); 2017 IRA - \$2.91 (GUD No. 10710)
	Footnote 2: 2016 IRA - \$3.55 (GUD No. 10612) revised to \$3.16 (GUD No. 10713); 2017 IRA - \$2.91 (GUD No. 10710)
	Footnote 3: 2016 IRA - \$89.14 (GUD No. 10612) revised to \$79.31 (GUD No. 10713); 2017 IRA - \$70.85 (GUD No. 10710)
	Footnote 4: 2016 IRA - \$13.98 (GUD No. 10612) revised to \$12.44 (GUD No. 10713); 2017 IRA - \$11.29 (GUD No. 10710)
	Footnote 5: \$0.09520 (GUD No. 10506) revised to \$0.08223 (GUD No. 10713)
	Footnote 6: \$0.07520 (GUD No. 10506) revised to \$0.06223 (GUD No. 10713)
	Footnote 7: \$0.06993 (GUD No. 10506) revised to \$0.05696 (GUD No. 10713)
	Footnote 8: \$0.05993 (GUD No. 10506) revised to \$0.04696 (GUD No. 10713)
	Footnote 9: \$0.04993 (GUD No. 10506) revised to \$0.03696 (GUD No. 10713)
	Footnote 10: \$0.03993 (GUD No. 10506) revised to \$0.02696 (GUD No. 10713)
	Footnote 11: \$0.05992 (GUD No. 10506) revised to \$0.04695 (GUD No. 10713)
	Footnote 12: \$0.04991 (GUD No. 10506) revised to \$0.03694 (GUD No. 10713)

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**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10211**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Footnote 13: \$0.03992 (GUD No. 10506) revised to \$0.02695 (GUD No. 10713)
	Footnote 14: \$0.02991 (GUD No. 10506) revised to \$0.01694 (GUD No. 10713)
	Footnote 15: \$0.13202 (GUD No. 10506) revised to \$0.12458 (GUD No. 10713)
	Footnote 16: \$0.11202 (GUD No. 10506) revised to \$0.10458 (GUD No. 10713)
	Footnote 17: \$0.12499 (GUD No. 10506) revised to \$0.11461 (GUD No. 10713)
	Footnote 18: \$0.10499 (GUD No. 10506) revised to \$0.09461 (GUD No. 10713)
	Supersedes Same Sheet Dated: July 12, 2017
	Meters Read On and After: June 26, 2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37682	D	Ccf	\$.0449	02/01/2018	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	9659	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.  
 NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

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**TARIFF CODE:** DT      **RRC TARIFF NO:** 10213

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 04/01/2010      **RECEIVED DATE:** 01/10/2018

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 01/01/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** customer name, delivery points and rate component language updated to reflect contract language, eff. 1/1/2018

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
35316	**CONFIDENTIAL**	Y	



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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
EP-T-18-IS-XEB	<p>EP-T-18-IS-XEB RATE COMPONENTS</p> <p>4.1 Subject to the other provisions of this Agreement, beginning on the date deliveries of gas commence hereunder, Shipper shall pay to Transporter each month, for each MMBtu of gas redelivered by Transporter to Shipper at the Shipper's Refinery's Point(s) of Redelivery during the preceding month, the sum of the following:</p> <p>(a) A customer charge of \$100.00 per meter per month; plus</p> <p>(b) A cost of service charge for the use of Transporter's facilities and all other services provided directly by Transporter for all volumes redelivered to Shipper's Refinery in the amount of \$.025 per MMBtu.</p> <p>4.2 Should Shipper elect to extend this Agreement for a second ten-year term, the cost of service charge as specified in paragraph 4.1 (b) above shall be \$.0375 per MMBtu. There is no minimum volume requirement for this second ten-year term.</p> <p>4.3 In addition to the other sums payable to Transporter under this Agreement, Shipper agrees to pay Transporter the full amount of any additional, new or increased taxes, fees, street rentals, license fees, franchise taxes or fees, levied or assessed by any federal, state, municipal or other governmental authority against Transporter in connection with or attributable to the transportation, delivery, redelivery, use or other handling of the gas transported on behalf of Shipper, unless Shipper has furnished Transporter satisfactory certificates showing that Shipper is exempt from the applicable taxes, fees or charges. Subject to any necessary regulatory approvals, Shipper agrees to pay timely this additional tax, fee or charge to Transporter whether asserted on a retroactive basis or whether applied on a going forward basis. The parties agree to hold each other harmless from the actions of taxing and other authorities.</p> <p>4.4 To the extent that Shipper reasonably feels that any such additional new or increased fees and/or taxes as identified in paragraph 4.3 above are excessive, and/or change the economics of the service bargained for under this Agreement, Shipper and Transporter shall meet to negotiate any appropriate changes in the Term and Conditions hereof with the intent to keep both Transporter and Shipper whole from an economic perspective for which each party bargained under this Agreement. Absent such a negotiated resolution, the parties will submit such issue to arbitration for resolution pursuant to the rules of the American Arbitration Association.</p> <p>During the pendency of the arbitration, Shipper shall pay Transporter such additional amounts subject to the final outcome of the arbitration. Should Shipper prevail, Transporter will promptly refund such amounts, plus interest calculated at the same rate and on the same basis as set forth in Section 5.2 of Appendix A.</p>
T-TERMS-WTSA-ISO	<p>TEXAS GAS SERVICE COMPANY West Texas Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances. Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc. Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</p> <p>Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period. Day or gas day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.</p> <p>Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</p> <p>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</p> <p>Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and nonhydrocarbon components thereof.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10213
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Mcf: Shall mean one thousand (1,000) cubic feet of Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.</p> <p>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Supplier's Aggregation Area pool of customers for such month.</p> <p>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</p> <p>PDA: Shall mean a predetermined allocation method.</p> <p>Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.</p> <p>Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.</p> <p>Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.</p> <p>Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.</p> <p>Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the West Texas Service Area, or the Railroad Commission of Texas, as applicable.</p> <p>Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.</p> <p>Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.</p> <p>Transportation Form: Shall mean the Company approved selection of transportation service document.</p> <p>Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.</p> <p>Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.</p> <p>Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.</p> <p>Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty six (366) consecutive Days when such period includes a February 29.</p> <p><b>1.3 COMPANY'S RESPONSIBILITY:</b> Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).</p> <p>a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.</p> <p><b>1.4 CUSTOMER'S RESPONSIBILITY</b></p> <p>Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:</p> <p>a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;</p> <p>b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;</p> <p>c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;</p> <p>d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10213
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.
- 1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:** Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.
- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.
- 1.6 IMBALANCES:** Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.
- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.
- e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10213**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:</p> <p>October 5, 2016 (All Areas Except Incorporated Areas of Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett, Wink)</p> <p>December 1, 2016 (Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett, Wink)</p> <p>Supersedes Rate Schedule T-GEN and T-GEN-ENV: September 10, 2013, El Paso Incorp. July 29, 2011, El Paso Environs,</p>

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
92968	D	Ccf	\$.0038	04/01/2010	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	35316	**CONFIDENTIAL**			
92965	D	Ccf	\$.0038	04/01/2010	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	35316	**CONFIDENTIAL**			
92966	D	Ccf	\$.0038	04/01/2010	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	35316	**CONFIDENTIAL**			
92967	D	Ccf	\$.0038	04/01/2010	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	35316	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10213**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10214**

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE: 08/01/2018**

**INITIAL SERVICE DATE: 02/01/2001**                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE: 06/26/2018**

**CONTRACT COMMENT: None**

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 6/26/2018, new T-1 Cust Chg per 2018 GRIP for Inc. and Env. West Texas service area

**OTHER(EXPLAIN):** Customer charge per T-1-WTSA-IS and T-TERMS-WTSA-ISOS applicable

**PREPARER - PERSON FILING**

**RRC NO: 971**                      **ACTIVE FLAG: Y**                      **INACTIVE DATE:**

**FIRST NAME: Christy**                      **MIDDLE:**                      **LAST NAME: Bell**

**TITLE: Rates Analyst**

**ADDRESS LINE 1: 1301 South Mopac Expressway**

**ADDRESS LINE 2: IV Barton Skyway, Suite 400**

**CITY: Austin**                      **STATE: TX**                      **ZIP: 78746**                      **ZIP4:**

**AREA CODE: 512**                      **PHONE NO: 370-8280**                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9627	**CONFIDENTIAL**	Y	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10214
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-WTSA-ISO	<p>TEXAS GAS SERVICE COMPANY West Texas Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances. Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc. Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</p> <p>Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period. Day or gas day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.</p> <p>Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</p> <p>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</p> <p>Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and nonhydrocarbon components thereof.</p> <p>Mcf: Shall mean one thousand (1,000) cubic feet of Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.</p> <p>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Supplier's Aggregation Area pool of customers for such month.</p> <p>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</p> <p>PDA: Shall mean a predetermined allocation method.</p> <p>Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.</p> <p>Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.</p> <p>Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.</p> <p>Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.</p> <p>Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the West Texas Service Area, or the Railroad Commission of Texas, as applicable.</p> <p>Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.</p> <p>Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.</p> <p>Transportation Form: Shall mean the Company approved selection of transportation service document.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10214
------------------------	-----------------------------

**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty six (366) consecutive Days when such period includes a February 29.

1.3 COMPANY'S RESPONSIBILITY: Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

## 1.4 CUSTOMER'S RESPONSIBILITY

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY: Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10214
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.</p> <p>d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.</p> <p>e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.</p> <p>1.6 IMBALANCES: Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:</p> <p>October 5, 2016 (All Areas Except Incorporated Areas of Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thortonville, Wickett, Wink)</p> <p>December 1, 2016 (Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thortonville, Wickett, Wink)</p> <p>Supersedes Rate Schedule T-GEN and T-GEN-ENV: September 10, 2013, El Paso Incorp. July 29, 2011, El Paso Environs,</p> <p>EP-T-19-IS-XEC RATE COMPONENTS</p> <p>4.1 Customer shall pay to Transporter each month, for each MMBtu of gas redelivered by Transporter to Customer, the sum of the following:</p>

EP-T-19-IS-XEC

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10214
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(a) A customer charge of as specified in Transporter's applicable Interruptible Rate Schedule (T-1) Governing Transportation service at each Point of Redelivery, as amended from time to time; plus</p> <p>(b) A cost of service charge for the use of Transporter's facilities and all other services provided directly by Transporter for all volumes redelivered to the Customer in the amount of \$0.01 per Ccf.</p> <p>(c) To the extent the customer requires special handling of the gas transported hereunder, all costs (including, but not limited to, a rate of return and compensation of overhead, administration and depreciation) for compression, treating or similar services provided by Transporter; plus</p> <p>(d) All amounts for any taxes or fees (including, but not limited to City franchise fee, gas throughput fees or Taxes and gas utility Taxes) and Shipper's lost and unaccounted-for-gas volumes.</p> <p>(e) In addition to the other sums payable to Transporter under this Agreement, Customer agrees to pay Transporter the full amount of any additional, new or increased taxes, fees, street rentals, license fees, franchise taxes or fees, levied or assessed by any federal, state, municipal or other governmental authority against Transporter in connection with or attributable to the transportation, delivery, redelivery, use or other handling of the gas transported on behalf of Customer, unless Customer has furnished Transporter satisfactory certificates showing that Customer is exempt from the applicable taxes, fees or charges.</p> <p>Subject to any necessary regulatory approvals, Customer agrees to pay this additional taxes, fee or charge whether asserted on a retroactive basis or whether applied on a going forward basis.</p> <p>(f) The cost of service charge set forth at Paragraph 4.1(b) shall be fixed until the earlier of (i) the end of the fifth contract year of (ii) a minimum of 500,000 MMBtu has been transported. Following such time, Transporter shall have the right to adjust the rates described in Paragraph 4.1(b) above at any time Transporter's filed tariff rate is changed or amended.</p> <p>4.2 Customer agrees to deliver sufficient volumes of gas to Transporter so that the minimum amount owed by customer for transportation excluding the taxes and fees under 4.1(b) above, shall be \$7,525.00 each Contract Year (Minimum Amount). If at the end of a Contract Year the amount owed by Shipper to Transporter is less than the Minimum Amount, Transporter shall bill Customer for the difference, with payment to be made pursuant to the regular payment terms of this Agreement. Customer shall be entitled to any credit in following Contract Years for any amounts owed to Transporter in excess of the Minimum Amount.</p> <p>4.3 The costs and taxes described in 4.1(e) and 4.1(d) above may automatically be adjusted from time to time to reflect any changes, as determined by Transporter, in such costs and taxes.</p> <p>4.4 Notwithstanding 4.1 above, Customer shall be allowed to satisfy its lost and unaccounted-for gas volumes under said section by payment in kind, unless Transporter, at Transporter's sole option, notifies Customer that Transporter will not accept such payment in kind.</p> <p>4.5 When Transporter allows payment in kind, in addition to the volumes to be transported hereunder, Customer shall tender to Transporter at the Point(s) of Delivery volumes of gas equal to the metered volumes delivered to Customer multiplied by the most recent purchase/sales ratio for Transporter's West Texas Service Area. The purchase/sales ratio shall be calculated for the twelve (12) months ended December 31st each year based on actual purchases and actual sales, adjusted to reflect all volumes transported.</p> <p>4.6 Customer shall immediately notify Transporter of any change in Customer's facilities, equipment, or volume of consumption which could result in the application of a different rate schedule. Upon receipt of such notice, Transporter shall apply the appropriate rate schedule commencing with the next billing cycle following Transporter's receipt of notice.</p> <p>Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad commission of Texas as amended from time to time shall apply to this Agreement.</p>
T-1-WTSA-IS	<p>TEXAS GAS SERVICE, a division of ONE Gas, Inc.                      RATE SCHEDULE T-1                      West Texas Service Area</p> <p style="text-align: center;"><b>TRANSPORTATION SERVICE RATE</b></p> <p>Applicability</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p>Availability</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10214
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's West Texas Service Area distribution system which includes the incorporated areas of, Andrews, Anthony, Barstow, Clint, Crane, Dell City, El Paso, Horizon City, McCamey, Monahans, Pecos, Pyote, San Elizario, Socorro, Thorntonville, Vinton, Wickett and Wink, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.

## Cost of Service Rate

During each monthly billing period, a customer charge per meter per month listed by customer class as follows:

Commercial \$400.00 per month  
plus Interim Rate Adjustments \$6.07 (Footnote 1) Total Rate \$406.07

Cogeneration \$400.00 per month  
plus Interim Rate Adjustments \$6.07 (Footnote 2) Total Rate \$406.07

Industrial \$400.00 per month plus Interim Rate Adjustments \$150.16 (Footnote 3) Total Rate \$550.16

Public Authority \$400.00 per month plus Interim Rate Adjustments \$23.73 (Footnote 4) Total Rate \$423.73

Plus - All Ccf per monthly billing period listed by customer class as follows:

Commercial The First 500 Ccf @ \$0.08223 per Ccf (Footnote 5)  
All Over 500 Ccf @ \$0.06223 per Ccf (Footnote 6)

Cogeneration Oct. - Apr. (Winter)  
First 5,000 Ccf @ \$0.05696 per Ccf (Footnote 7)  
Next 95,000 Ccf @ \$0.04696 per Ccf (Footnote 8)  
Next 300,000 Ccf @ \$0.03696 per Ccf (Footnote 9)  
All Over 400,000 Ccf @ \$0.02696 per Ccf (Footnote 10)

May - Sept. (Summer)  
First 5,000 Ccf @ \$0.04695 per Ccf (Footnote 11)  
Next 95,000 Ccf @ \$0.03694 per Ccf (Footnote 12)  
Next 300,000 Ccf @ \$0.02695 per Ccf (Footnote 13)  
All Over 400,000 Ccf @ \$0.01694 per Ccf (Footnote 14)

Industrial The First 500 Ccf @ \$0.12458 per Ccf (Footnote 15)  
All Over 500 Ccf @ \$0.10458 per Ccf (Footnote 16)

Public Authority The First 500 Ccf @ \$0.11461 per Ccf (Footnote 17)  
All Over 500 Ccf @ \$0.09461 per Ccf (Footnote 18)

## Additional Charges:

- 1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
- 2) A charge will be made each month to recover the cost of any applicable taxes and fees, including franchise fees paid to the cities.
- 3) In the event the Company incurs a demand charge, balancing service rate, or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the West Texas Service Area, the customer may be charged its proportionate share of the demand charge, balancing service rate, or reservation charge based on benefit received by the customer.
- 4) Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.
- 5) Pipeline Integrity Testing Rider: Adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

## Subject To

- 1) Tariff T-TERMS, General Terms and Conditions for Transportation.
- 2) Transportation of natural 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 higher priority customers served.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10214**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Footnote 1: 2016 IRA - \$3.55 (GUD No. 10612) revised to \$3.16 (GUD No. 10713); 2017 IRA - \$2.91 (GUD No. 10710)
	Footnote 2: 2016 IRA - \$3.55 (GUD No. 10612) revised to \$3.16 (GUD No. 10713); 2017 IRA - \$2.91 (GUD No. 10710)
	Footnote 3: 2016 IRA - \$89.14 (GUD No. 10612) revised to \$79.31 (GUD No. 10713); 2017 IRA - \$70.85 (GUD No. 10710)
	Footnote 4: 2016 IRA - \$13.98 (GUD No. 10612) revised to \$12.44 (GUD No. 10713); 2017 IRA - \$11.29 (GUD No. 10710)
	Footnote 5: \$0.09520 (GUD No. 10506) revised to \$0.08223 (GUD No. 10713)
	Footnote 6: \$0.07520 (GUD No. 10506) revised to \$0.06223 (GUD No. 10713)
	Footnote 7: \$0.06993 (GUD No. 10506) revised to \$0.05696 (GUD No. 10713)
	Footnote 8: \$0.05993 (GUD No. 10506) revised to \$0.04696 (GUD No. 10713)
	Footnote 9: \$0.04993 (GUD No. 10506) revised to \$0.03696 (GUD No. 10713)
	Footnote 10: \$0.03993 (GUD No. 10506) revised to \$0.02696 (GUD No. 10713)
	Footnote 11: \$0.05992 (GUD No. 10506) revised to \$0.04695 (GUD No. 10713)
	Footnote 12: \$0.04991 (GUD No. 10506) revised to \$0.03694 (GUD No. 10713)
	Footnote 13: \$0.03992 (GUD No. 10506) revised to \$0.02695 (GUD No. 10713)
	Footnote 14: \$0.02991 (GUD No. 10506) revised to \$0.01694 (GUD No. 10713)
	Footnote 15: \$0.13202 (GUD No. 10506) revised to \$0.12458 (GUD No. 10713)
	Footnote 16: \$0.11202 (GUD No. 10506) revised to \$0.10458 (GUD No. 10713)
	Footnote 17: \$0.12499 (GUD No. 10506) revised to \$0.11461 (GUD No. 10713)
	Footnote 18: \$0.10499 (GUD No. 10506) revised to \$0.09461 (GUD No. 10713)
	Supersedes Same Sheet Dated: July 12, 2017
	Meters Read On and After: June 26, 2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37691	D	Ccf	\$0.1000	08/06/2015	Y
<b>DESCRIPTION: **CONFIDENTIAL**</b>					
<b>Customer</b>	9627	<b>**CONFIDENTIAL**</b>			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.  
 NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 10215

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 08/06/2015                      **RECEIVED DATE:** 08/01/2018

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/26/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 6/26/2018, new T-1 Cust Chg per 2018 GRIP for Inc. and Env. West Texas service area

**OTHER(EXPLAIN):** Cust Chg from T-1-WTSA-IS applicable

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9626	**CONFIDENTIAL**	Y	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10215
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-WTSA-ISO	<p>TEXAS GAS SERVICE COMPANY West Texas Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances. Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc. Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</p> <p>Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period. Day or gas day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.</p> <p>Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</p> <p>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</p> <p>Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and nonhydrocarbon components thereof.</p> <p>Mcf: Shall mean one thousand (1,000) cubic feet of Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.</p> <p>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Supplier's Aggregation Area pool of customers for such month.</p> <p>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</p> <p>PDA: Shall mean a predetermined allocation method.</p> <p>Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.</p> <p>Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.</p> <p>Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.</p> <p>Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.</p> <p>Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the West Texas Service Area, or the Railroad Commission of Texas, as applicable.</p> <p>Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.</p> <p>Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.</p> <p>Transportation Form: Shall mean the Company approved selection of transportation service document.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10215
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty six (366) consecutive Days when such period includes a February 29.

1.3 COMPANY'S RESPONSIBILITY: Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

## 1.4 CUSTOMER'S RESPONSIBILITY

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY: Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10215
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.</p> <p>d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.</p> <p>e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.</p> <p>1.6 IMBALANCES: Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:</p> <p>October 5, 2016 (All Areas Except Incorporated Areas of Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thortonville, Wickett, Wink)</p> <p>December 1, 2016 (Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thortonville, Wickett, Wink)</p> <p>Supersedes Rate Schedule T-GEN and T-GEN-ENV: September 10, 2013, El Paso Incorp. July 29, 2011, El Paso Environs,</p> <p>EP-T-20-IS-XEM RATE COMPONENTS 4.1 Customer shall pay to Transporter each month, for each MMBtu of gas redelivered by Transporter to Customer, the sum of the following: (a) A customer charge of as specified in Transporter's applicable Rate Schedule (T-3) Governing Transportation service at each Point of Redelivery; plus (b) A cost of service charge for the use of Transporter's facilities and all other services provided directly by Transporter for all volumes redelivered to the Customer in the amount of \$0.05 per</p>

EP-T-20-IS-XEM



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10215
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-WTSA-IS	<p>MMBtu. (c) All amounts of current city franchise fees or taxes, Texas Utilities Code 121.001 taxes and fees, and any other Applicable Taxes (as defined in subsection (c) below (e) Transporter represents that Exhibit C (below) to this Agreement sets forth the current taxes, fees, street rentals, license fees, franchise fees or charges of every kind and character excluding taxes based on Transporter's income) contracted, levied or assessed by any federal, state, municipal or other governmental authority against Transporter in connection with or attributable to the transportation, delivery, redelivery, use or other handling of the gas transported on behalf of Customer ( the Applicable Taxes). In addition to the amounts owed pursuant to 4.1 (b) above, Customer agrees to pay Transporter the full amount of any additional, new or increased Applicable Taxes, unless Customer has furnished Transporter satisfactory certificates showing that Customer is exempt from any Applicable Taxes. Subject to any necessary regulatory approvals, Customer agrees to pay the additional Applicable Taxes whether asserted on a retroactive basis ( but not for any period prior to the effective date of this Agreement) or whether applied on a going forward basis. 4.2 Customer agrees to deliver sufficient volumes of gas to Transporter so that the minimum amount owed by customer for transportation excluding the taxes and fees under 4.1(b) and (c) above, shall be \$30,000.00 each Contract Year (Minimum Amount). If at the end of a Contract Year the amount owed by Customer to Transporter is less than the Minimum Amount, Transporter shall bill Customer for the difference, with payment to be made pursuant to the regular payment terms of this Agreement. Customer shall be entitled to any credit in following Contract Years for any amounts owed to Transporter in excess of the Minimum Amount. Exhibit C 0.5% of the gross amount due to Transporter hereunder pursuant to Article 6060 of the Texas Revised Statutes Annotated, for so long as such tax is payable by Transporter to the State of Texas. No sales tax will be due provided that Customer provides to Transporter appropriate documentation to evidend exemption of this transaction from such tax.</p> <p>TEXAS GAS SERVICE, a division of ONE Gas, Inc.                      RATE SCHEDULE T-1                      West Texas Service Area</p> <p style="text-align: center;"><b>TRANSPORTATION SERVICE RATE</b></p> <p>Applicability</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p>Availability</p> <p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's West Texas Service Area distribution system which includes the incorporated areas of, Andrews, Anthony, Barstow, Clint, Crane, Dell City, El Paso, Horizon City, McCamey, Monahans, Pecos, Pyote, San Elizario, Socorro, Thorntonville, Vinton, Wickett and Wink, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p> <p>Cost of Service Rate</p> <p>During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p> <p>Commercial \$400.00 per month                      plus Interim Rate Adjustments \$6.07 (Footnote 1) Total Rate \$406.07</p> <p>Cogeneration \$400.00 per month                      plus Interim Rate Adjustments \$6.07 (Footnote 2) Total Rate \$406.07</p> <p>Industrial \$400.00 per month plus Interim Rate Adjustments \$150.16 (Footnote 3) Total Rate \$550.16</p> <p>Public Authority \$400.00 per month plus Interim Rate Adjustments \$23.73 (Footnote 4) Total Rate \$423.73</p> <p>Plus - All Ccf per monthly billing period listed by customer class as follows:</p> <p>Commercial The First 500 Ccf @ \$0.08223 per Ccf (Footnote 5)                      All Over 500 Ccf @ \$0.06223 per Ccf (Footnote 6)</p> <p>Cogeneration Oct. - Apr. (Winter)                      First 5,000 Ccf @ \$0.05696 per Ccf (Footnote 7)                      Next 95,000 Ccf @ \$0.04696 per Ccf (Footnote 8)                      Next 300,000 Ccf @ \$0.03696 per Ccf (Footnote 9)                      All Over 400,000 Ccf @ \$0.02696 per Ccf (Footnote 10)</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID: 6310</b>	<b>COMPANY NAME: TEXAS GAS SERVICE COMPANY</b>
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<b>TARIFF CODE: DT</b>	<b>RRC TARIFF NO: 10215</b>
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	May - Sept. (Summer) First 5,000 Ccf @ \$0.04695 per Ccf (Footnote 11) Next 95,000 Ccf @ \$0.03694 per Ccf (Footnote 12) Next 300,000 Ccf @ \$0.02695 per Ccf (Footnote 13) All Over 400,000 Ccf @ \$0.01694 per Ccf (Footnote 14)
Industrial	The First 500 Ccf @ \$0.12458 per Ccf (Footnote 15) All Over 500 Ccf @ \$0.10458 per Ccf (Footnote 16)
Public Authority	The First 500 Ccf @ \$0.11461 per Ccf (Footnote 17) All Over 500 Ccf @ \$0.09461 per Ccf (Footnote 18)
	Additional Charges:  1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.  2) A charge will be made each month to recover the cost of any applicable taxes and fees, including franchise fees paid to the cities.  3) In the event the Company incurs a demand charge, balancing service rate, or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the West Texas Service Area, the customer may be charged its proportionate share of the demand charge, balancing service rate, or reservation charge based on benefit received by the customer.  4) Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.  5) Pipeline Integrity Testing Rider: Adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.
	Subject To  1) Tariff T-TERMS, General Terms and Conditions for Transportation.  2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.  3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Footnote 1: 2016 IRA - \$3.55 (GUD No. 10612) revised to \$3.16 (GUD No. 10713); 2017 IRA - \$2.91 (GUD No. 10710) Footnote 2: 2016 IRA - \$3.55 (GUD No. 10612) revised to \$3.16 (GUD No. 10713); 2017 IRA - \$2.91 (GUD No. 10710) Footnote 3: 2016 IRA - \$89.14 (GUD No. 10612) revised to \$79.31 (GUD No. 10713); 2017 IRA - \$70.85 (GUD No. 10710) Footnote 4: 2016 IRA - \$13.98 (GUD No. 10612) revised to \$12.44 (GUD No. 10713); 2017 IRA - \$11.29 (GUD No. 10710) Footnote 5: \$0.09520 (GUD No. 10506) revised to \$0.08223 (GUD No. 10713) Footnote 6: \$0.07520 (GUD No. 10506) revised to \$0.06223 (GUD No. 10713) Footnote 7: \$0.06993 (GUD No. 10506) revised to \$0.05696 (GUD No. 10713) Footnote 8: \$0.05993 (GUD No. 10506) revised to \$0.04696 (GUD No. 10713) Footnote 9: \$0.04993 (GUD No. 10506) revised to \$0.03696 (GUD No. 10713) Footnote 10: \$0.03993 (GUD No. 10506) revised to \$0.02696 (GUD No. 10713) Footnote 11: \$0.05992 (GUD No. 10506) revised to \$0.04695 (GUD No. 10713) Footnote 12: \$0.04991 (GUD No. 10506) revised to \$0.03694 (GUD No. 10713) Footnote 13: \$0.03992 (GUD No. 10506) revised to \$0.02695 (GUD No. 10713) Footnote 14: \$0.02991 (GUD No. 10506) revised to \$0.01694 (GUD No. 10713) Footnote 15: \$0.13202 (GUD No. 10506) revised to \$0.12458 (GUD No. 10713) Footnote 16: \$0.11202 (GUD No. 10506) revised to \$0.10458 (GUD No. 10713) Footnote 17: \$0.12499 (GUD No. 10506) revised to \$0.11461 (GUD No. 10713) Footnote 18: \$0.10499 (GUD No. 10506) revised to \$0.09461 (GUD No. 10713)

Supersedes Same Sheet Dated:  
July 12, 2017

Meters Read On and After:  
June 26, 2018

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 10215

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37692	D	Ccf	\$.0108	08/06/2015	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	9626	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.  
 NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 10216

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**      **RECEIVED DATE:** 08/01/2018

**INITIAL SERVICE DATE:** 08/01/2003      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**      **AMENDMENT DATE:** 06/01/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Per the annual cost of service adjustment provision, the monthly CRC rate is increased effective 6/1/2018. Filing delayed due to resource constraints

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
17154	**CONFIDENTIAL**	Y	

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
EP-T-21-IS-MB	Customer shall pay a net monthly charge of \$94,350.00 per month.

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
42954	R	MONTH	\$94350.0000	06/01/2018	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	17154	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10216**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 10238

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 02/01/1993      **RECEIVED DATE:** 10/05/2017

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 09/01/2017

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** New delivery point information effective 09/01/2017

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9669	**CONFIDENTIAL**	Y	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10238
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
GL-T-2-Galv-IS-XGC	GL-T-2-Galv-IS-XGC RATE COMPONENTS (a) During each monthly billing period, a customer charge of \$1,000.00 per meter per month, for each Point of Redelivery; plus (b) A cost of service rate for the use of Transporter's facilities and all other services provided directly by Transporter for all volumes redelivered each contract year to Customer shall be as follows: Yearly Volume of 550,000 Mcf and under = \$0.50 per Mcf and Yearly Volume over 550,000 Mcf = \$0.25 per Mcfcf
T-TERMS-GulfCst-ISO	<p>TEXAS GAS SERVICE COMPANY Gulf Coast Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p><b>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE</b> Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p><b>1.2 DEFINITIONS</b> The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas.</p> <p>Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.</p> <p>Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc.</p> <p>Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</p> <p>Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period.</p> <p>Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.</p> <p>Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</p> <p>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</p> <p>Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.</p> <p>Mcf: Shall mean one thousand (1,000) cubic feet of Gas</p> <p>Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.</p> <p>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.</p> <p>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</p> <p>PDA: Shall mean a predetermined allocation method.</p> <p>Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.</p> <p>Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.</p> <p>Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10238
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Gulf Coast Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY:**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10238
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION****1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.

e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES:**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.

b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.

c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.

d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.

e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.

f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.

g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.

h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10238
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.
	Meters Read On and After May 9, 2016
	Supersedes Rate Schedules
	T-GTC SJC Incorp. dated January 27, 2014
	T-GEN SJC Environs dated April 1, 2013

**RATE ADJUSTMENT PROVISIONS:**

See GL-T-2-Galv-IS-XGC Rate Adjustment Provision

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10238**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37527	D	Steppd	\$ .0000	01/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9669	<b>**CONFIDENTIAL**</b>			
37528	D	Steppd	\$ .0000	01/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9669	<b>**CONFIDENTIAL**</b>			
65889	D	Steppd	\$ .0000	01/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9669	<b>**CONFIDENTIAL**</b>			
92485	D	Steppd	\$ .0000	01/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9669	<b>**CONFIDENTIAL**</b>			
92486	D	Steppd	\$ .0000	01/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9669	<b>**CONFIDENTIAL**</b>			
92775	D	Steppd	\$ .0000	09/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9669	<b>**CONFIDENTIAL**</b>			
37525	D	Steppd	\$ .0000	01/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9669	<b>**CONFIDENTIAL**</b>			
37526	D	Steppd	\$ .0000	01/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9669	<b>**CONFIDENTIAL**</b>			

**TYPE SERVICE PROVIDED**

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

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10238**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10239**

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 07/01/2012                      **RECEIVED DATE:** 08/09/2018

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 07/26/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Eff. 7/26/2018, new T-1 Cust Chg per 2018 COSA for Inc. Gulf Coast service area

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
11183	**CONFIDENTIAL**	Y	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10239**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-GulfCst-ISO	<p>TEXAS GAS SERVICE COMPANY                      Gulf Coast Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS                      FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE                      Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff:                      Adder: Shall mean the Company's incremental cost to purchase natural gas.</p> <p>Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.</p> <p>Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc.</p> <p>Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</p> <p>Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period.</p> <p>Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.</p> <p>Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</p> <p>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</p> <p>Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.</p> <p>Mcf: Shall mean one thousand (1,000) cubic feet of Gas</p> <p>Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.</p> <p>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.</p> <p>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</p> <p>PDA: Shall mean a predetermined allocation method.</p> <p>Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.</p> <p>Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.</p> <p>Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.</p> <p>Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.</p> <p>Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10239
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>system.</p> <p>Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Gulf Coast Service Area, or the Railroad Commission of Texas, as applicable.</p> <p>Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.</p> <p>Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.</p> <p>Transportation Form: Shall mean the Company approved selection of transportation service document.</p> <p>Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.</p> <p>Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.</p> <p>Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.</p> <p>Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.</p> <p><b>1.3 COMPANY'S RESPONSIBILITY:</b>                      Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).</p> <p>a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.</p> <p><b>1.4 CUSTOMER'S RESPONSIBILITY</b>                      Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:</p> <p>a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;</p> <p>b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;</p> <p>c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;</p> <p>d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;</p> <p>e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;</p> <p>f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;</p> <p>g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;</p> <p>h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.</p> <p><b>1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:</b>                      Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10239
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.</p> <p>a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.</p> <p>b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.</p> <p>c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.</p> <p>d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.</p> <p>e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.</p> <p>1.6 IMBALANCES:                      Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10239
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
GL-T-3-Galv-IS-XGA	<p>Meters Read On and After May 9, 2016                      Supersedes Rate Schedules                      T-GTC SJC Incorp. dated January 27, 2014                      T-GEN SJC Environs dated April 1, 2013                      GL-T-3-Galv-IS-XGA RATE COMPONENTS</p> <p>4.1 Transporter's applicable Rate Schedule (T-TERMS), as amended from time to time, shall govern the conditions under which transportation service is available. Subject to the other provisions of this Agreement, beginning on the date deliveries of gas commence hereunder, Shipper shall pay to Transporter each month, for each Mcf of gas redelivered by Transporter to Shipper at the above-described Point(s) of Redelivery during the preceding month, the sum of the following:</p> <p>(a) A customer charge as specified in Transporter's applicable Rate Schedule (T-1) governing transportation service at each Point of Redelivery as shown on Exhibit B, as amended from time to time; plus</p> <p>(b) A cost of service charge for the use of Transporter's facilities and all other services provided directly by the Transporter for all volumes redelivered to Shipper shall be: \$1.1025 per Mcf; plus Effective each July 1 during the term of this Agreement or any amendment or extension of this Agreement, Transporter shall have the right to adjust the cost of service charge by providing thirty (30) days' advance notice to Shipper. The cost of service shall increase in direct proportion to the increase in the Transporter's Gulf Coast Service rate expenses as reported to the Railroad Commission of Texas in the Transporter's Annual Report to the Gas Utilities Division.</p> <p>(c) To the extent Shipper requires special handling of the gas transported hereunder, all costs (including, but not limited to, a rate of return and compensation of overhead, administration and depreciation) for compression, treating or similar services provided by Transporter; plus</p> <p>(d) All amounts for any taxes (including, but not limited to, municipal franchise fees or taxes and Article 6060 Tax), fees, and Shipper's lost and unaccounted-for gas volumes; plus</p> <p>(e) In addition to the other sums payable to Transporter under this Agreement, Shipper agrees to pay Transporter the full amount of any additional, new or increased taxes, fees, street rentals, license fees, franchise taxes or fees or charges of every kind and character contracted, levied or assessed by any federal, state, municipal or other governmental authority against Transporter in connection with or attributable to the transportation, delivery, redelivery, use or other handling of the gas transported on behalf of Shipper, unless Shipper has furnished Transporter satisfactory certificates showing that Shipper is exempt from the applicable taxes, fees or charges. Subject to any necessary regulatory approvals, Shipper agrees to pay this additional tax, fee or charge whether asserted on a retroactive basis or whether applied on a going forward basis; plus</p> <p>4.2 Transporter retains the right to adjust the tariff rates described in Paragraph 4.1 above at any time Transporter's filed tariff rates are changed or amended.</p> <p>4.3 Notwithstanding the Rate Schedule referred to in Section 4.1(a) above, Shipper shall be allowed to satisfy its lost and unaccounted-for gas obligation set forth in such Rate Schedule by payment in kind, unless Transporter, at Transporter's sole option, notified Shipper that Transporter will not accept such payment in kind.</p> <p>4.4 When Transporter allows payment in kind, in addition to the volumes to be transported hereunder, Shipper shall tender to Transporter at the Point(s) of Delivery volumes of gas equal to the volumes delivered to Shipper at the Point of Delivery multiplied by the most recent purchase/sales ratio for Transporter's Gulf Coast Service Area. The purchase/sales ratio shall be calculated for the twelve (12) months ended October 31 each year based on actual purchases and actual sales, adjusted to reflect all volumes transported.</p> <p>T-1-GulfCst-IS                      Texas Gas Service, a Division of ONE Gas, Inc.                      RATE SCHEDULE T-1                      Gulf Coast Service Area</p> <p>TRANSPORTATION SERVICE RATE</p> <p>Applicability</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system. Availability Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's Gulf Coast Service Area distribution system which includes the incorporated areas of Galveston, Bayou Vista, Jamaica Beach, Port Arthur, Port Neches, Groves and Nederland, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion. Cost of Service Rate During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10239**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Commercial \$295.49 per month Industrial \$217.42 per month Public Authority \$302.36 per month Plus -
	All Ccf per monthly billing period listed by customer class as follows: Commercial The First 250 Ccf@ \$ 0.22140 per Ccf All Over 250 Ccf @ \$ 0.19380 per Ccf
	Industrial The First 250 Ccf@ \$ 0.40060 per Ccf All Over 250 Ccf @ \$ 0.37480 per Ccf
	Public Authority The First 250 Ccf@ \$ 0.15672 per Ccf All Over 250 Ccf @ \$ 0.13092 per Ccf
	Additional Charges: 1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder. 2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities. 3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the Gulf Coast Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer. 4) Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.
	Subject To 1) Tariff T-TERMS, General Terms and Conditions for Transportation 2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer. 3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Meters Read On and After July 26, 2018    Supersedes Same Rate Schedule dated July 27, 2017

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37532	D	Mcf	\$1.1025	07/01/2015	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	11183	<b>**CONFIDENTIAL**</b>			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.  
NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10240**

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 02/01/1993                      **RECEIVED DATE:** 04/25/2018

**INITIAL SERVICE DATE:**                      **TERM OF CONTRACT DATE:** 07/01/2017

**INACTIVE DATE:**                      **AMENDMENT DATE:** 07/01/2015

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Tariff Re-Activated. Mistakenly inactivated in 2017.

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9668	**CONFIDENTIAL**	Y	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10240
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
GL-T-5-Galv-IS-XGE	<p>GL-T-5-Galv-IS-XGE RATE COMPONENTS</p> <p>(a) During each monthly billing period, a customer charge of \$100.00 per meter per month, for each Point of Redelivery; plus</p> <p>(b) A cost of service rate for the use of Transporter's facilities and all other services provided directly by Transporter for all volumes redelivered each contract year to Customer shall be as follows:</p> <p>(Per 7/1/2014 COS adjustment)</p> <p>The first 10,000 Mcf                      redelivered @ \$0.8314 per Mcf</p> <p>The next 10,000 Mcf                      redelivered @ \$0.6650 per Mcf</p> <p>The next 30,000 Mcf                      redelivered @ \$0.3325 per Mcf</p> <p>All volumes over 50,000 Mcf           redelivered @ \$0.2495 per Mcf</p>
T-TERMS-GulfCst-ISO	<p>TEXAS GAS SERVICE COMPANY Gulf Coast Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas.</p> <p>Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.</p> <p>Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc.</p> <p>Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</p> <p>Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period.</p> <p>Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.</p> <p>Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</p> <p>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</p> <p>Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.</p> <p>Mcf: Shall mean one thousand (1,000) cubic feet of Gas</p> <p>Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.</p> <p>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.</p> <p>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10240
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	PDA: Shall mean a predetermined allocation method.
	Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.
	Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.
	Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.
	Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.
	Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.
	Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Gulf Coast Service Area, or the Railroad Commission of Texas, as applicable.
	Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.
	Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.
	Transportation Form: Shall mean the Company approved selection of transportation service document.
	Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.
	Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.
	Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.
	Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.
	<b>1.3 COMPANY'S RESPONSIBILITY:</b> Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).
	a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.
	<b>1.4 CUSTOMER'S RESPONSIBILITY</b> Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:
	a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
	b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
	c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
	d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;
	e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
	f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10240
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.

e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES:**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.

b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.

c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.

d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.

e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.

f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310 COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT RRC TARIFF NO: 10240**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	monthly payments.
	g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.
	h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.
	Meters Read On and After May 9, 2016 Supersedes Rate Schedules T-GTC SJC Incorp. dated January 27, 2014 T-GEN SJC Environs dated April 1, 2013

**RATE ADJUSTMENT PROVISIONS:**

See GL-T-5-Galv-IS-XGE Rate Adjustment Provision

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37530	D	Steppd	\$.0000	07/01/2014	Y
<b>DESCRIPTION: **CONFIDENTIAL**</b>					

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.  
 NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 10256

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 07/01/2003                      **RECEIVED DATE:** 04/27/2018

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 04/01/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Rate component language updated to reflect contract language, eff. 4/1/2018

**OTHER(EXPLAIN):** T-TERMS-GulfCst-ISOS applicable

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9680	**CONFIDENTIAL**	Y	



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10256**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>									
PA-T-7-SoJef-IS-XPB	<p>PA-T-7-SoJef-IS-XPB RATE COMPONENTS</p> <p>4.1 Transporter's Rate Schedule (T-1), as amended from time to time, shall govern the conditions under which transportation service is available. Subject to the other provisions of this Agreement, beginning on the date deliveries of gas commence hereunder, Customer shall pay to Transporter each month, for each Mcf of gas redelivered by Transporter to Customer at the above-described Point(s) of Redelivery during the preceding month, the sum of the following transportation fees and compression and treating costs:</p> <p>(a) A customer charge of \$100.00 per month for each Point of Redelivery; plus</p> <p>(b) A cost of service charge for the use of Transporter's facilities and all other services provided directly by the Transporter which shall be at the following rates:</p> <p>(Per 7/1/2017 COS Adjustment Filing)</p> <table border="0"> <tr> <td>First</td> <td>400 Mcf @</td> <td>\$2.9063 per Mcf</td> </tr> <tr> <td>Next</td> <td>1400 Mcf @</td> <td>\$1.0849 per Mcf</td> </tr> <tr> <td>All Over</td> <td>1800 Mcf @</td> <td>\$0.5021 per Mcf</td> </tr> </table> <p>for all volumes redelivered to Customer each Month; plus</p> <p>(c) All amounts for any taxes (including, but not limited to Franchise Fees and Taxes and Article 6060 Tax), fees and Customer's lost and unaccounted for gas obligation; plus (d) Any third party demand charges, transport or service fees paid by Transporter on behalf of Customer associated with the transportation of gas hereunder; plus</p> <p>(e) To the extent Customer requires special handling of the gas transported hereunder, all costs (including, but not limited to, a rate of return and compensation of overhead, administration and depreciation) for compression, treating or similar services provided by Transporter. These costs may be adjusted from time to time to reflect any changes, as determined by Transporter, in such costs.</p> <p>4.2 Transporter retains the right to adjust the rates described in Paragraph 4.1 above at any time Transporter's filed tariff rate is changed or amended, with the exception of the cost of service provision as noted below.</p> <p>4.3 The cost of service rate specified in 4.1(b) above shall remain in effect until June 30, 1991. Effective July 1, 1991, and each July 1st thereafter during the term of this Agreement, Transporter shall have the right to adjust the cost of service rate with 30 days notice. The cost of service rate shall increase in direct proportion to the increase in the Transporter's Port Arthur, Texas Service Area expenses as reported to the Railroad Commission of Texas in the Transporter's Annual Report to the Gas Utilities Division.</p> <p>The amounts to be included in the calculation shall be the amounts reported on lines 38 through 43 of page 27 of the Gas Utilities Division's annual report form. These expenses are: Operating and Maintenance Expense (Acct. 870-894), Customer Accounting and Sales Expense (Acct. 901-918), Administrative and General Expense (Acct. 920-931), Maintenance of General Plant (Acct. 932), and to the extent related to transportation services hereunder, Taxes other than Income Tax (Acct. 408.1). The cost of service rate for each Contract Year shall be calculated by the formula prescribed below: most recent calendar year Port Arthur, Texas Area expenses/previous calendar year Port Arthur, Texas expenses X prior year cost of service rate Minimum: Prior year cost of service rate. Maximum: 1.05 times prior year cost of service rate. All other provisions of the Transportation Rate Schedule T-1 as amended from time to time shall continue to apply. If any increased taxes or fees on Transporter's services are levied by any regulatory or legislative body, Transporter shall have the right to specify a different cost of service rate by providing thirty (30) days notice of such charge to Customer. Customer will then have thirty (30) days to accept such rate or to terminate this Agreement.</p> <p>4.4 Notwithstanding Section 4.1(c) above, Customer shall be allowed to satisfy its lost and unaccounted for gas obligation under said section by payment in kind, unless Transporter at Transporter's sole option notifies Customer that Transporter will not accept such payment in kind.</p> <p>4.5 When Transporter allows payment in kind, Customer shall tender to Transporter at the Point(s) of Delivery volumes of gas equal to the metered volumes delivered to Customer multiplied by the purchase/sales ratio for Transporter's Austin Service Area. The purchase/sales ratio shall be calculated for the 12 months ended June 30th each year based on actual purchases and actual sales, adjusted to reflect all volumes transported.</p>	First	400 Mcf @	\$2.9063 per Mcf	Next	1400 Mcf @	\$1.0849 per Mcf	All Over	1800 Mcf @	\$0.5021 per Mcf
First	400 Mcf @	\$2.9063 per Mcf								
Next	1400 Mcf @	\$1.0849 per Mcf								
All Over	1800 Mcf @	\$0.5021 per Mcf								
T-TERMS-GulfCst-ISO	<p>TEXAS GAS SERVICE COMPANY                      Gulf Coast Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS                      FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE                      Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p>									

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10256
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff:

Adder: Shall mean the Company's incremental cost to purchase natural gas.

Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.

Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.

Commission or The Commission: The Railroad Commission of Texas.

Company: Texas Gas Service Company, a division of ONE Gas, Inc.

Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.

Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

Consumption Period: Shall mean a volumetric billing period.

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.

Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Gulf Coast Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10256
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY:**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10256
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.

e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES:**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.

b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.

c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.

d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.

e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.

f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.

g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.

h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.

Meters Read On and After May 9, 2016  
 Supersedes Rate Schedules  
 T-GTC SJC Incorpor. dated January 27, 2014  
 T-GEN SJC Environs dated April 1, 2013

**RATE ADJUSTMENT PROVISIONS:**

See PA-T-7-SoJef-IS-XPB Rate Adjustment Provision

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10256**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37555	D	steppd	\$.0000	07/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9680	<b>**CONFIDENTIAL**</b>			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 10260

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 04/08/1991      **RECEIVED DATE:** 02/04/2019

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 01/30/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N      **RRC DOCKET NO:** 10666GRIP 10781GRIP

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 1/30/2019, new Customer Chg per 2018 GRIP Filing for Gulf Coast Environs Svc Area, apprvd via GUD 10781

**OTHER(EXPLAIN):** New contract and rate component info eff. 11/1/2018, Customer Chg from T-1-ENV-GulfCst-OS now applicable

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9676	**CONFIDENTIAL**	Y	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10260
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PA-T-12-SoJef-OS-X	<p>PA-T-12-SoJef-OS-XPE RATE COMPONENTS Texas Gas Service Company (Company) and JEFFERSON COUNTY CORRECTIONAL FACILITY, (Customer) executed this Gas Transportation Order pursuant to the company's tariffs and the Gas Transportation Agreement. Transportation Period: November 1, 2018 through October 31, 2021; month to month thereafter until terminated by either party upon thirty (30) days written notice. Points of Receipt: Any existing delivery points into Transporter's distribution system as mutually agreed upon by Transporter, Shipper and Shipper's supplier. Cost of Service Rate: November 1-October 31, 2018: \$0.75 per Mcf November 1-October 31, 2019: \$1.00 per Mcf November 1-June 30, 2021: \$1.25 per Mcf Cost of Service Rate Adjustment: Effective July 1, 2021 and each subsequent July consumption period thereafter during the term of this Agreement, Company may adjust the cost of service charge with thirty (30) days written notice to Customer. The Cost of Service Rate shall increase in direct proportion to the increase in the Company's year over year operating expenses. The amounts to be included in the annual calculation of operating expenses shall include: Transmission Expenses (excluding FERC Acct 858 - Transmission and Compression of Gas by others), Distribution Expenses, Customer Accounts Expenses, Customer Service and Informational Expenses, Sales Expenses, Administrative and General Expenses and Taxes Other Than Income Taxes as reported in the Gas Utilities Distribution Annual Report to the Railroad Commission of Texas. Adjustments to the Cost of Service Rate shall be limited to not less than the then current Cost of Service Rate and not more than 5% of the then current Cost of Service Rate. Customer Charge: During each monthly billing a customer charge per applicable Rate Schedule (current applicable tariff T-1- ENV); plus Additional Charges: A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code; Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.</p>
T-1-ENV-GulfCst-OS	<p>Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE T-1-ENV Gulf Coast Service Area</p> <p style="text-align: center;"><b>TRANSPORTATION SERVICE RATE</b></p> <p>Applicability</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p>Availability</p> <p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's unincorporated areas of the Gulf Coast Service Area distribution system which includes the environs of Galveston, Bayou Vista, Jamaica Beach, Port Arthur, Port Neches, Groves and Nederland, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p> <p>Cost of Service Rate</p> <p>During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p> <p>Commercial \$ 300.00 per month plus Interim Rate Adjustments \$5.05 (Footnote 1) Total Rate \$305.05</p> <p>Industrial \$ 300.00 per month plus Interim Rate Adjustments \$115.52 (Footnote 2) Total Rate \$415.52</p> <p>Public Authority \$ 300.00 per month plus Interim Rate Adjustments \$6.63 (Footnote 3) Total Rate \$306.63</p> <p>Plus - All Ccf per monthly billing period listed by customer class as follows:</p> <p>Commercial The First 250 Ccf@ \$ 0.20185 per Ccf (Footnote 4) All Over 250 Ccf @ \$ 0.17425 per Ccf (Footnote 5)</p> <p>Industrial The First 250 Ccf@ \$ 0.37808 per Ccf (Footnote 6) All Over 250 Ccf @ \$ 0.35228 per Ccf (Footnote 7)</p> <p>Public Authority The First 250 Ccf@ \$ 0.13587 per Ccf (Footnote 8) All Over 250 Ccf @ \$ 0.11007 per Ccf (Footnote 9)</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID: 6310</b>	<b>COMPANY NAME: TEXAS GAS SERVICE COMPANY</b>
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<b>TARIFF CODE: DT</b>	<b>RRC TARIFF NO: 10260</b>
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Additional Charges:</p> <p>1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.</p> <p>2) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Gulf Coast Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.</p> <p>3) Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.</p> <p>Subject To</p> <p>1) Tariff T-TERMS, General Terms and Conditions for Transportation</p> <p>2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.</p> <p>3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Footnote 1: 2016 IRA - \$3.57 (GUD No. 10666); 2017 IRA - \$1.48 (GUD No. 10781)                      Footnote 2: 2016 IRA - \$85.98 (GUD No. 10666); 2017 IRA - \$29.54 (GUD No. 10781)                      Footnote 3: 2016 IRA - \$4.66 (GUD No. 10666); 2017 IRA - \$1.97 (GUD No. 10781)                      Footnote 4: \$0.22140 (GUD No. 10488) revised to \$0.20185 (GUD No. 10730)                      Footnote 5: \$0.19380 (GUD No. 10488) revised to \$0.17425 (GUD No. 10730)                      Footnote 6: \$0.40060 (GUD No. 10488) revised to \$0.37808 (GUD No. 10730)                      Footnote 7: \$0.37480 (GUD No. 10488) revised to \$0.35228 (GUD No. 10730)                      Footnote 8: \$0.15672 (GUD No. 10488) revised to \$0.13587 (GUD No. 10730)                      Footnote 9: \$0.13092 (GUD No. 10488) revised to \$0.11007 (GUD No. 10730)</p> <p>Meters Read On and After January 23, 2019 (Billing implementation January 30, 2019) Supersedes Sheet Dated May 25, 2018</p> <p>T-TERMS-GulfCst-ISO                      TEXAS GAS SERVICE COMPANY                      Gulf Coast Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS                      FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE                      Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff:                      Adder: Shall mean the Company's incremental cost to purchase natural gas.</p> <p>Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.</p> <p>Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc.</p> <p>Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</p> <p>Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10260**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Consumption Period: Shall mean a volumetric billing period.
	Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.
	Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.
	Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.
	Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.
	Mcf: Shall mean one thousand (1,000) cubic feet of Gas
	Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.
	Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.
	Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.
	PDA: Shall mean a predetermined allocation method.
	Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.
	Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.
	Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.
	Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.
	Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.
	Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Gulf Coast Service Area, or the Railroad Commission of Texas, as applicable.
	Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.
	Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.
	Transportation Form: Shall mean the Company approved selection of transportation service document.
	Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.
	Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.
	Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.
	Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.
	<b>1.3 COMPANY'S RESPONSIBILITY:</b> Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).
	a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10260
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION****1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES:**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10260**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After May 9, 2016                      Supersedes Rate Schedules                      T-GTC SJC Incorp. dated January 27, 2014                      T-GEN SJC Environs dated April 1, 2013</p>

**RATE ADJUSTMENT PROVISIONS:**

See PA-T-12-SoJef-OS-XPE for Rate Adjustment Provisions

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37559	D	Mcf	\$.5000	04/30/2007	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9676	<b>**CONFIDENTIAL**</b>			

**TYPE SERVICE PROVIDED**

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

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10260**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 10262

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/27/2018

**INITIAL SERVICE DATE:** 02/01/1995                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 04/01/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Rate component language updated to reflect contract language, eff. 4/1/2018

**OTHER(EXPLAIN):** T-TERMS-GulfCst-ISOS applicable

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9677	**CONFIDENTIAL**	Y	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10262
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PA-T-15-SoJef-OS-X	<p>PA-T-15-SoJef-OS-XPF RATE COMPONENTS 4.1 Subject to the other provisions of this Agreement, beginning on the date deliveries of gas commence hereunder, Shipper shall pay to Transporter each month, for each Mcf of gas redelivered by Transporter to Shipper at the above-described Point(s) of Redelivery during the preceding month, the sum of the following transportation fees and compression and treating costs:</p> <p>(a) A customer charge of \$100.00 per month for each Point of Redelivery; plus</p> <p>(b) A cost of service charge for the use of Transporter's facilities and all other services provided directly by the Transporter for all volumes redelivered to Customer shall be \$ 1.0707 per Mcf (Per 1/1/2016 COS Adjustment Filing); plus</p> <p>(c) All amounts for any taxes (including, but not limited to Franchise Fee and Taxes and Article 6060 Tax), fees, and Customer's lost and unaccounted-for gas obligation; plus 4.2 The costs described in 4.1 above may automatically be adjusted from time to time to reflect any changes, as determined by Transporter, in such costs.</p> <p>4.3 Notwithstanding Section 4.1 above, Customer shall be allowed to satisfy its lost and unaccounted for gas obligation under said section by payment in kind, unless Transporter, at Transporter's sole option, notifies Customer that Transporter will not accept such payment in kind.</p> <p>4.4 When Transporter allows payment in kind, Customer shall tender to Transporter at the Points of Delivery volumes of gas equal to the metered volumes delivered to Customer multiplied by the most recent purchase/sales ratio for Transporter's Gulf Coast Service Area. The purchase/sales ratio shall be calculated for the twelve (12) months ended December 31st each year based on actual purchases and actual sales, adjusted to reflect all volumes transported.</p> <p>4.5 The cost of service charge specified in 4.1(b) above shall remain in effect through December 31, 1998. Effective January 1, 1999, and each January 1st thereafter during the term of this Agreement, Transporter shall have the right to adjust the cost of service charge with thirty (30) days' advance notice to Customer. The cost of service charge shall increase in direct proportion to the increase in the Transporter's Gulf Coast Texas Service rate expenses as reported to the Railroad Commission of Texas in Transporter's Annual Report to the Gas Utilities Division. The amounts to be included in the calculation shall be the amounts reported on lines 38 through 43 of page 27 of the Gas Utilities Division's Annual report form. These expenses are: Operating and Maintenance Expenses (Acct. 870-894), Customer Accounting and Sales Expense (Acct. 901-918), Administrative and General Expense (Acct. 920-931), Maintenance of General Plant (Acct. 932), and to the extent related to transportation services hereunder, Taxes other Than Income Tax (Acct. 408.1).</p> <p>The cost of service charge for each contract year shall be calculated by the formula prescribed below: most recent calendar year Gulf Coast Texas expenses/previous calendar year Gulf Coast Texas expenses x prior year cost of service charge The minimum cost of service charge for a Contract Year shall be the prior years cost of service charge. The maximum cost of service charge for a Contract Year shall be the result of 1.05 multiplied by the prior years cost of service charge.</p> <p>4.6 Shipper shall notify Transporter of any change in Shipper's facilities, equipment, or volume of consumption which would result in the application of a different rate schedule. Upon receipt of such notice, Transporter shall apply the appropriate rate schedule commencing with the next billing cycle following Transporter's receipt of notice. The new rate shall be no higher than the stated rate of 4.1(b) above.</p>
T-TERMS-GulfCst-ISO	<p>TEXAS GAS SERVICE COMPANY                      Gulf Coast Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS                      FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE                      Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff:                      Adder: Shall mean the Company's incremental cost to purchase natural gas.</p> <p>Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.</p> <p>Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10262
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.

Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

Consumption Period: Shall mean a volumetric billing period.

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.

Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Gulf Coast Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY:**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10262
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).
	a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.
	<b>1.4 CUSTOMER'S RESPONSIBILITY</b>
	Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:
	a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
	b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
	c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
	d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;
	e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
	f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
	g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
	h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.
	<b>1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:</b>
	Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.
	a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
	b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
	c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
	d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
	e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10262**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.
	1.6 IMBALANCES: Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.
	a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
	b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
	c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
	d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.
	e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.
	f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.
	g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.
	h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.
	Meters Read On and After May 9, 2016 Supersedes Rate Schedules T-GTC SJC Incorp. dated January 27, 2014 T-GEN SJC Environs dated April 1, 2013

**RATE ADJUSTMENT PROVISIONS:**

See PA-T-15-SoJef-OS-XPF Rate Adjustment Provision

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10262**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37561	D	Mcf	\$1.0707	01/01/2016	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9677	**CONFIDENTIAL**			
37563	D	Mcf	\$1.0707	01/01/2016	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9677	**CONFIDENTIAL**			
37562	D	Mcf	\$1.0707	01/01/2016	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9677	**CONFIDENTIAL**			
65641	D	Mcf	\$1.0707	01/01/2016	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9677	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.  
 NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 10263

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/27/2018

**INITIAL SERVICE DATE:** 06/01/1995                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 04/01/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Rate component language updated to reflect contract language, eff. 4/1/2018

**OTHER(EXPLAIN):** T-TERMS-GulfCst-ISOS applicable

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
35312	**CONFIDENTIAL**	Y	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10263
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PA-T-17-SoJef-OS-X	<p>PA-T-17-SoJef-OS-XPF RATE COMPONENTS</p> <p>4.1 Subject to the other provisions of this Agreement, beginning on the date deliveries of gas commence hereunder, Customer shall pay to Transporter each month, for each Mcf of gas redelivered by Transporter to Customer at the above-described Point(s) of Redelivery during the preceding month, the sum of the following transportation fees and compression and treating costs:</p> <p>(a) A customer charge of \$100.00 per month for each Point of Redelivery; plus</p> <p>(b) A cost of service charge for the use of Transporter's facilities and all other services provided directly by the Transporter for all volumes redelivered to Customer shall be \$1.0707 per Mcf (Per 01/01/2016 COS Adjustment Filing); plus</p> <p>(c) All amounts for any taxes (including, but not limited to Franchise Fee and Taxes and Article 6060 Tax), fees, and Customer's lost and unaccounted-for gas volume.</p> <p>4.2 The costs described in 4.1(b) above may automatically be adjusted from time to time to reflect any changes, as determined by Transporter, in such costs.</p> <p>4.3 Notwithstanding Section 4.1 above, Customer shall be allowed to satisfy its lost and unaccounted for gas volume under said section by payment in kind, unless Transporter, at Transporter's sole option, notifies Customer that Transporter will not accept such payment in kind.</p> <p>4.4 When Transporter allows payment in kind, Customer shall tender to Transporter at the Points of Delivery volumes of gas equal to the metered volumes delivered to Customer multiplied by the most recent purchase/sales ratio for Transporter's Gulf Coast Service Area. The purchase/sales ratio shall be calculated for the twelve (12) months ended December 31st each year based on actual purchases and actual sales, adjusted to reflect all volumes transported.</p> <p>4.5 Effective each January 1st during the term of this Agreement, Transporter shall have the right to adjust the cost of service charge with thirty (30) days' advance notice to Customer. The cost of service charge shall increase in direct proportion to the increase in the Transporter's Gulf Coast Texas Service rate expenses as reported to the Railroad Commission of Texas in Transporter's Annual Report to the Gas Utilities Division.</p> <p>The cost of service charge for each contract year shall be calculated by the formula prescribed below: most recent calendar year Gulf Coast Texas expenses/previous calendar year Gulf Coast Texas expenses x prior year cost of service charge The minimum cost of service charge for a Contract Year shall be the prior years cost of service charge. The maximum cost of service charge for a Contract Year shall be the result of 1.05 multiplied by the prior years cost of service charge.</p> <p>4.6 Customer shall notify Transporter of any change in Customer's facilities, equipment, or volume of consumption in excess of the annual volume as described in Article I - Quantity. Paragraph 1.1, which would result in the application of a different rate schedule. Upon receipt of such notice, Transporter shall apply the appropriate rate schedule commencing with the next billing cycle following Transporter's receipt of notice. The new rate shall be no higher than the stated rate of 4.1(a) above.</p>
T-TERMS-GulfCst-ISO	<p>Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad Commission of Texas as amended from time to time shall apply to this Agreement.</p> <p>TEXAS GAS SERVICE COMPANY Gulf Coast Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas.</p> <p>Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.</p> <p>Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10263**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Company: Texas Gas Service Company, a division of ONE Gas, Inc.
	Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.
	Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.
	Consumption Period: Shall mean a volumetric billing period.
	Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.
	Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.
	Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.
	Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.
	Mcf: Shall mean one thousand (1,000) cubic feet of Gas
	Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.
	Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.
	Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.
	PDA: Shall mean a predetermined allocation method.
	Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.
	Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.
	Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.
	Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.
	Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.
	Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Gulf Coast Service Area, or the Railroad Commission of Texas, as applicable.
	Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.
	Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.
	Transportation Form: Shall mean the Company approved selection of transportation service document.
	Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.
	Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.
	Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.
	Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10263
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p><b>1.3 COMPANY'S RESPONSIBILITY:</b>                      Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).</p> <p>a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.</p> <p><b>1.4 CUSTOMER'S RESPONSIBILITY</b>                      Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:</p> <p>a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;</p> <p>b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;</p> <p>c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;</p> <p>d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;</p> <p>e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;</p> <p>f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;</p> <p>g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;</p> <p>h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.</p> <p><b>1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:</b>                      Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.</p> <p>a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.</p> <p>b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.</p> <p>c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.</p> <p>d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10263
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.</p> <p>1.6 IMBALANCES: Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After May 9, 2016 Supersedes Rate Schedules T-GTC SJC Incorpor. dated January 27, 2014 T-GEN SJC Environs dated April 1, 2013</p>

<b>RATE ADJUSTMENT PROVISIONS:</b>
None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37564	D	Mcf	\$1.0707	01/01/2016	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	35312	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10263**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10273**

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE: 10/26/2017**

**INITIAL SERVICE DATE: 02/01/1992**                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE: 04/30/2007**

**CONTRACT COMMENT: None**

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN): None**

**OTHER(EXPLAIN): This tariff was erroneously inactivated with the RRC on November 15, 2011.**

**PREPARER - PERSON FILING**

**RRC NO: 971**                      **ACTIVE FLAG: Y**                      **INACTIVE DATE:**

**FIRST NAME: Christy**                      **MIDDLE:**                      **LAST NAME: Bell**

**TITLE: Rates Analyst**

**ADDRESS LINE 1: 1301 South Mopac Expressway**

**ADDRESS LINE 2: IV Barton Skyway, Suite 400**

**CITY: Austin**                      **STATE: TX**                      **ZIP: 78746**                      **ZIP4:**

**AREA CODE: 512**                      **PHONE NO: 370-8280**                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9765	**CONFIDENTIAL**	Y	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10273
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
ST-T-3-SoTx-OS-XS	<p>ST-T-3-SoTx-OS-XSL RATE COMPONENTS</p> <p>Monthly Cost of Service: \$0.43/Mcf</p> <p>Monthly Customer Charge: \$10.00</p> <p>Additional Charges:</p> <p>1) a charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code; Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.</p> <p>2) a charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.</p> <p>3) in the event the company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the South Texas Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.</p> <p>Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad commission of Texas as amended from time to time shall apply to this Agreement.</p>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY</p> <p>Central Texas Service Area</p> <p>RATE SCHEDULE T-TERMS</p> <p>GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE</p> <p>Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS</p> <p>The following definitions shall apply to the indicated words as used in this Tariff:</p> <p>Adder: Shall mean the Company's incremental cost to purchase natural gas.</p> <p>Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.</p> <p>Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc.</p> <p>Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative</p> <p>Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period.</p> <p>Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.</p> <p>Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</p> <p>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</p> <p>Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.</p> <p>Mcf: Shall mean one thousand (1,000) cubic feet of Gas</p> <p>Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.</p> <p>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.</p> <p>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</p> <p>PDA: Shall mean a predetermined allocation method.</p> <p>Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.</p> <p>Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.</p> <p>Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.</p> <p>Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.</p> <p>Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable.</p> <p>Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10273
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.</p> <p>Transportation Form: Shall mean the Company approved selection of transportation service document.</p> <p>Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.</p> <p>Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.</p> <p>Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.</p> <p>Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.</p> <p><b>1.3 COMPANY'S RESPONSIBILITY</b></p> <p>Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).</p> <p>a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.</p> <p><b>1.4 CUSTOMER'S RESPONSIBILITY</b></p> <p>Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:</p> <p>a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;</p> <p>b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;</p> <p>c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;</p> <p>d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;</p> <p>e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;</p> <p>f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;</p> <p>g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;</p> <p>h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.</p> <p><b>1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY</b></p> <p>Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.</p> <p>a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.</p> <p>b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.</p> <p>c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.</p> <p>d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.</p> <p>e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10273
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.
	1.6 IMBALANCES
	Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.
	a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
	b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
	c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
	d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.
	e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.
	f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.
	g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.
	h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.
	Meters Read On and After: October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)
	January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)
	November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)
	Supersedes Rate Schedules Dated: CTX Incomp January 27, 2014 (T-GTC)
	CTX Environs January 2, 2003 (T-GEN-ENV)
	STX Environs January 27, 2014 (T-GTC)
	Dripping Springs Environs January 31, 2006 (T-GEN)
	Kyle/Buda Environs April 30, 2008 (T-GEN)
	STX Incomp January 27, 2014 (T-GTC)
	STX Environs January 27, 2014 (T-GTC)

**RATE ADJUSTMENT PROVISIONS:**

None
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10273**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
38510	D	Mcf	\$.4300	04/30/2007	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	9765	<b>**CONFIDENTIAL**</b>			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10286**

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 10/19/2017

**INITIAL SERVICE DATE:** 08/01/1991                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 10/18/2017

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Rate component language updated to reflect contract language, and T-TERMS for CTX applicable

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9763	**CONFIDENTIAL**	Y	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10286
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p><b>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE</b> Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p><b>1.2 DEFINITIONS</b> The following definitions shall apply to the indicated words as used in this Tariff:  Adder: Shall mean the Company's incremental cost to purchase natural gas.  Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.  Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.  Commission or The Commission: The Railroad Commission of Texas.  Company: Texas Gas Service Company, a division of ONE Gas, Inc.  Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative  Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.  Consumption Period: Shall mean a volumetric billing period.  Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.  Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.  Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.  Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.  Mcf: Shall mean one thousand (1,000) cubic feet of Gas  Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. (central clock time) on the first Day of the next succeeding calendar month.  Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.  Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.  PDA: Shall mean a predetermined allocation method.  Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.  Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.  Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.  Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.  Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable.  Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.  Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.  Transportation Form: Shall mean the Company approved selection of transportation service document.  Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.  Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.  Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.  Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.</p> <p><b>1.3 COMPANY'S RESPONSIBILITY</b> Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).  a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10286
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10286**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
ST-T-2-SoTx-OS-XS	<p>Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)                       January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)                       November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:                      CTX Incorp January 27, 2014 (T-GTC)                       CTX Environs January 2, 2003 (T-GEN-ENV)                       STX Environs January 27, 2014 (T-GTC)                       Dripping Springs Environs January 31, 2006 (T-GEN)                       Kyle/Buda Environs April 30, 2008 (T-GEN)                       STX Incorp January 27, 2014 (T-GTC)                       STX Environs January 27, 2014 (T-GTC)</p> <p><b>ST-T-2-SoTx-OS-XSF RATE COMPONENTS</b></p> <p>Monthly Cost of Service Rate for All volumes redelivered: \$0.15/Mcf                      PIK: None Additional Charges:</p> <p>1) a charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code; Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.</p> <p>2) a charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.</p> <p>3) In the event the company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the South Texas Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer. Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad commission of Texas as amended from time to time shall apply to this Agreement.</p>

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10286**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
38524	D	Mcf	\$.1500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer    9763                      **CONFIDENTIAL**					
38527	D	Mcf	\$.1500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer    9763                      **CONFIDENTIAL**					
38525	D	Mcf	\$.1500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer    9763                      **CONFIDENTIAL**					
38528	D	Mcf	\$.1500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer    9763                      **CONFIDENTIAL**					
38529	D	Mcf	\$.1500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer    9763                      **CONFIDENTIAL**					
38530	D	Mcf	\$.1500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer    9763                      **CONFIDENTIAL**					
38531	D	Mcf	\$.1500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer    9763                      **CONFIDENTIAL**					
38532	D	Mcf	\$.1500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer    9763                      **CONFIDENTIAL**					
38533	D	Mcf	\$.1500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer    9763                      **CONFIDENTIAL**					
38534	D	Mcf	\$.1500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer    9763                      **CONFIDENTIAL**					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10286**

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 10287**

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 10/23/2017

**INITIAL SERVICE DATE:** 10/01/1992                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 10/20/2017

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Customer Name & Rate component language updated to reflect contract language, eff. 10/20/2017

**OTHER(EXPLAIN):** Change to Delivery Point's Current Rate Information.

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
37875	**CONFIDENTIAL**	Y	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10287
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY                      Central Texas Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE                      Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS                      The following definitions shall apply to the indicated words as used in this Tariff:                      Adder: Shall mean the Company's incremental cost to purchase natural gas.                      Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.                      Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.                      Commission or The Commission: The Railroad Commission of Texas.                      Company: Texas Gas Service Company, a division of ONE Gas, Inc.                      Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative                      Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.                      Consumption Period: Shall mean a volumetric billing period.                      Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.                      Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.                      Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.                      Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.                      Mcf: Shall mean one thousand (1,000) cubic feet of Gas                      Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. (central clock time) on the first Day of the next succeeding calendar month.                      Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.                      Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.                      PDA: Shall mean a predetermined allocation method.                      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Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.                      Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.                      Transportation Form: Shall mean the Company approved selection of transportation service document.                      Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.                      Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.                      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## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10287
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

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**1.4 CUSTOMER'S RESPONSIBILITY**

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- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10287
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)</p> <p>January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)</p> <p>November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:                      CTX Incorp January 27, 2014 (T-GTC)</p> <p>CTX Environs January 2, 2003 (T-GEN-ENV)</p> <p>STX Environs January 27, 2014 (T-GTC)</p> <p>Dripping Springs Environs January 31, 2006 (T-GEN)</p> <p>Kyle/Buda Environs April 30, 2008 (T-GEN)</p> <p>STX Incorp January 27, 2014 (T-GTC)</p> <p>STX Environs January 27, 2014 (T-GTC)</p>
ST-T-3-SoTx-IS-XSJ	<p>ST-T-3-SoTx-OS-XSL RATE COMPONENTS Monthly Cost of Service Rate for All volumes redelivered: \$0.19/Mcf                      PIK: None Monthly Customer Charge: \$20.00 Additional Charges: 1) a charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code; Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder. 2) a charge will be made each month to recover the cost of any applicable franchise fees paid to the cities. 3) In the event the company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the South Texas Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer. Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad commission of Texas as amended from time to time shall apply to this Agreement.</p>

**RATE ADJUSTMENT PROVISIONS:**

See ST-T-3-SoTx-IS-XSJ Rate Adjustment Provision

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
42956	D	Mcf	\$,1900	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	37875	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10287**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10366**

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE: 03/04/2019**

**INITIAL SERVICE DATE: 06/01/1995**                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE: 02/28/2019**

**CONTRACT COMMENT: None**

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 2/28/2019, new Customer Chg per 2018 GRIP Filing for RGV Environs Svc Area, apprvd via GUD 10784

**OTHER(EXPLAIN):** Eff. 7/1/2018, change to delivery pts. current rate info per 2018 COSA

**PREPARER - PERSON FILING**

**RRC NO: 971**                      **ACTIVE FLAG: Y**                      **INACTIVE DATE:**

**FIRST NAME: Christy**                      **MIDDLE:**                      **LAST NAME: Bell**

**TITLE: Rates Analyst**

**ADDRESS LINE 1: 1301 South Mopac Expressway**

**ADDRESS LINE 2: IV Barton Skyway, Suite 400**

**CITY: Austin**                      **STATE: TX**                      **ZIP: 78746**                      **ZIP4:**

**AREA CODE: 512**                      **PHONE NO: 370-8280**                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9731	**CONFIDENTIAL**	Y	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10366
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-RGV-ISOS	<p>TEXAS GAS SERVICE COMPANY Rio Grande Valley Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff:  Adder: Shall mean the Company's incremental cost to purchase natural gas.  Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.  Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.  Commission or The Commission: The Railroad Commission of Texas.  Company: Texas Gas Service Company, a division of ONE Gas, Inc.  Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.  Consumption Period: Shall mean a volumetric billing period.  Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.  Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.  Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.  Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.  Mcf: Shall mean one thousand (1,000) cubic feet of Gas  Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.  Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.  Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.  PDA: Shall mean a predetermined allocation method.  Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.  Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer. Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery. Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.  Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Rio Grande Valley Service Area, or the Railroad Commission of Texas, as applicable.  Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.  Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.  Transportation Form: Shall mean the Company approved selection of transportation service document.  Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.  Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.  Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.  Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.</p> <p>1.3 COMPANY'S RESPONSIBILITY  Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).</p> <p>a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10366
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION****1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances. a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion. b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10366
------------------------	-----------------------------

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered. h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p>
RGV-T-3-OS-X84	<p>Meters Read On and After October 18, 2017 (Incorp.) March 27, 2018 (Env.) Initial Rate Schedule</p> <p>RGV-T-3-OS-X84</p> <p>RATE COMPONENTS</p> <p>a) During each monthly billing period, a per customer meter per month charge per Standard T-1 tariff rate.</p> <p>b) Transporter hereby agrees to transport the Transport Gas at the point(s) of redelivery on a firm basis a transportation rate of \$.3675 per Mcf for all volumes. Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad commission of Texas as amended from time to time in the Rio Grande Valley Service Area shall apply to this Agreement and is hereby incorporated by reference and made a part of this Agreement.</p>
T-1-ENV-RGV-OS	<p>Texas Gas Service Company, a Division of ONE Gas, Inc</p> <p>Rio Grande Valley Service Area</p> <p>RATE SCHEDULE T-1-ENV</p>
<b>TRANSPORTATION SERVICE RATE</b>	
<b>APPLICABILITY</b>	
<p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The Customer must arrange with its gas supplier to have the Customer's gas delivered to one of the Company's existing receipt points for transportation by the Company to the Customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p>	
<b>AVAILABILITY</b>	
<p>Natural gas service under this rate schedule is available to any individually metered, nonresidential customer for the transportation of customer owned natural gas through the Company's Rio Grande Valley distribution system which includes the unincorporated 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, Pecos, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas, the unincorporated cities of Bayview, Laguna Heights, Monte Alto, Olmito, and San Carlos and the unincorporated areas of Jim Hogg and Starr counties, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p>	
<b>COST OF SERVICE RATE</b>	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10366
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	During each monthly billing period, a customer charge per meter month listed by customer class as follows:
	Commercial \$ 400.00 per month Plus Interim Rate Adjustment \$6.58 (Footnote 1) Total \$406.58
	Industrial \$ 400.00 per month Plus Interim Rate Adjustment \$54.40 (Footnote 2) Total \$454.40
	Public Authority \$ 400.00 per month Plus Interim Rate Adjustment \$6.66 (Footnote 3) Total \$406.66
	Plus - All Ccf per monthly billing period listed by customer class as follows:
	Commercial The First 5000 Ccf @ \$ 0.31650 per Ccf All Over 5000 Ccf @ \$ 0.01777 per Ccf
	Industrial The First 5000 Ccf @ \$ 0.30336 per Ccf All Over 5000 Ccf @ \$ 0.03453 per Ccf
	Public Authority The First 5000 Ccf @ \$ 0.38068 per Ccf All Over 5000 Ccf @ \$ 0.01595 per Ccf
	<b>ADDITIONAL CHARGES</b>
	1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to the provision of TEXAS UTILITIES CODE, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
	2) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Rio Grande Valley Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.
	3) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider RCE - ENV.
	4) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.
	<b>SUBJECT TO</b>
	1) Tariff T-TERMS, General Terms and Conditions for Transportation.
	2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Footnote 1: 2017 IRA - \$6.58 (GUD No. 10784) Footnote 2: 2017 IRA - \$54.40 (GUD No. 10784) Footnote 3: 2017 IRA - \$6.66 (GUD No. 10784)
	Meters Read On and After February 28, 2019 <span style="float: right;">Supersedes Same Sheet Dated March 27, 2018</span>

**RATE ADJUSTMENT PROVISIONS:**

None
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**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37573	D	Mcf	\$.3675	07/01/2018	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer	9731	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10366**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 10370

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 08/14/2018

**INITIAL SERVICE DATE:** 04/01/1997                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 07/26/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 7/26/2018, new T-1 Cust Chg per 2018 COSA for Inc. RGV service area

**OTHER(EXPLAIN):** Eff. 7/1/2018, change to delivery pts. current rate info per 2018 COSA

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9689	**CONFIDENTIAL**	Y	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10370
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
RGV-T-13-IS-X90	<p>RGV-T-13-IS-X90 RATE COMPONENTS</p> <p>4.1 Transporter's applicable Rate Schedule, as amended from time to time, shall govern the conditions under which transportation service is available. Subject to the other provisions of this Agreement, beginning on the date deliveries of gas commence hereunder, Shipper shall pay to Transporter each month, for each Mcf of gas redelivered by Transporter to Shipper at the above described Point(s) of Redelivery during the preceding month, the sum of the following:</p> <ul style="list-style-type: none"> <li>(a) During each monthly billing period, a per-meter charge as set forth per Standard T-1 tariff; plus</li> <li>(b) All charges specified in Transporter's applicable Rate Schedule governing transportation service at each Point of Redelivery, as amended from time to time; plus</li> <li>(c) Any third party demand charges, transport or service fees paid by Transporter for the benefit of Shipper associated with the transportation of gas hereunder; plus (d) To the extent Shipper requires special handling of the gas transported hereunder, all costs (including, but not limited to, a rate of return and compensation of overhead, administration and depreciation) for compression, treating or similar services provided by Transporter; plus</li> <li>(e) All amounts for any taxes (including, but not limited to, municipal franchise fees or taxes and Article 6060 fee), fees, and Shipper's lost and unaccounted-for gas volumes; plus</li> <li>(f) In addition to the other sums payable to Transporter under this Agreement, Shipper agrees to pay Transporter the full amount of any additional, new or increased taxes, fees, street rentals, license fees, franchise taxes or fees or charges of every kind and character contracted, levied or assessed by any federal, state, municipal or other governmental authority against Transporter in connection with or attributable to the transportation, delivery, redelivery, use or other handling of the gas transported on behalf of Shipper, unless Shipper has furnished Transporter satisfactory certificates showing that Shipper is exempt from the applicable taxes, fees or charges. Subject to any necessary regulatory approvals, Shipper agrees to pay this additional tax, fee or charge whether asserted on a retroactive basis or whether applied on a going forward basis; plus</li> <li>(g) Any imbalance payments owing to Transporter pursuant to the Special Provisions of Transporter's Transportation Service Tariff.</li> <li>(h) A pro-rata share of any imbalance penalties assessed against Transporter by any pipeline delivering gas supplies for Transporter's sales customers within the distribution system that includes Shipper's Delivery Points.</li> </ul> <p>4.2 Effective July 1, 2018 and each subsequent July consumption period thereafter during the term of this Agreement, Company may adjust the Cost of Service Rate upon (30) days written notice to Customer. The Cost of Service Rate shall increase in direct proportion to the increase in the Company's year over year operating expenses. The amounts to be included in the annual calculation of operating expenses shall include: Transmission Expenses (excluding FERC Acct 858 - Transmission and Compression of Gas by Others), Distribution Expenses, Customer Accounts Expenses, Customer Service and Informational Expenses, Sales Expenses, Administrative and General Expenses and Taxes Other Than Income Taxes as reported in the Gas Utilities Distribution Annual Report to the Railroad Commission of Texas. Adjustments to the Cost of Service Rate shall be limited to not less than the then current Cost of Service Rate and not more than 5% of the then current Cost of Service Rate.</p> <p>4.3 Transporter retains the right to adjust the tariff rates described in Paragraph 4.1 above at any time Transporter's filed tariff rates are changed or amended.</p> <p>4.4 Shipper shall notify Transporter, in writing, of any change in Shipper's facilities, equipment, or volume of consumption, which would result in the application of a different rate schedule. Upon receipt of such notice, Transporter shall apply the appropriate rate schedule commencing with the next billing following Transporter's receipt of notice.</p>
T-1-RGV-IS	<p>Texas Gas Service, a Division of ONE Gas, Inc.                      Rio Grande Valley Service Area                      Rate Schedule T-1</p> <p style="text-align: center;"><b>TRANSPORTATION SERVICE RATE</b></p> <p><b>APPLICABILITY</b></p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through Texas Gas Service's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of Texas Gas Service's existing receipt points for transportation by Texas Gas Service to the customer's facilities at the customer's delivery point. The receipt points shall be specified by Texas Gas Service at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p><b>AVAILABILITY</b></p> <p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 10370**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>customer owned natural gas through Texas Gas Service's Rio Grande Valley distribution system which includes 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. Such service shall be provided at any point on Texas Gas Service's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by Texas Gas Service in its sole opinion.</p> <p><b>COST OF SERVICE RATE</b></p> <p>During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p> <p>Commercial \$ 408.31 per month                      Industrial \$ 468.74 per month                      Public Authority \$ 408.40 per month Plus -</p> <p>All Ccf per monthly billing period listed by customer class as follows:</p> <p>Commercial The First 5000 Ccf @ \$ 0.31650 per Ccf                      All Over 5000 Ccf @ \$ 0.01777 per Ccf</p> <p>Industrial The First 5000 Ccf @ \$ 0.30336 per Ccf                      All Over 5000 Ccf @ \$ 0.03453 per Ccf</p> <p>Public Authority The First 5000 Ccf @ \$ 0.38068 per Ccf                      All Over 5000 Ccf @ \$ 0.01595 per Ccf</p> <p><b>ADDITIONAL CHARGES</b></p> <p>1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.                      2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.                      3) In the event Texas Gas Service incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Rio Grande Valley Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.                      4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider RCE.                      5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.</p> <p><b>SUBJECT TO</b></p> <p>1) Tariff T-TERMS, General Terms and Conditions for Transportation.                      2) Transportation of natural gas hereunder may be interrupted or curtailed at the discretion of Texas Gas Service in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to Texas Gas Service's rate schedule which would otherwise be available to such customer.                      3) Subject to all applicable laws and orders, and Texas Gas Service's rules and regulations on file with the regulatory authority.</p>
T-TERMS-RGV-ISOS	<p>Meters Read On and After July 26, 2018                      Supersedes Same Sheet Dated March 27, 2018</p> <p>TEXAS GAS SERVICE COMPANY                      Rio Grande Valley Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff:                      Adder: Shall mean the Company's incremental cost to purchase natural gas.                      Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.                      Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10370
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc.</p> <p>Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period.</p> <p>Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.</p> <p>Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</p> <p>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</p> <p>Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.</p> <p>Mcf: Shall mean one thousand (1,000) cubic feet of Gas</p> <p>Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.</p> <p>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.</p> <p>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</p> <p>PDA: Shall mean a predetermined allocation method.</p> <p>Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.</p> <p>Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer. Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery. Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.</p> <p>Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Rio Grande Valley Service Area, or the Railroad Commission of Texas, as applicable.</p> <p>Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.</p> <p>Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.</p> <p>Transportation Form: Shall mean the Company approved selection of transportation service document.</p> <p>Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.</p> <p>Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.</p> <p>Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.</p> <p>Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.</p> <p><b>1.3 COMPANY'S RESPONSIBILITY</b></p> <p>Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).</p> <p>a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.</p> <p><b>1.4 CUSTOMER'S RESPONSIBILITY</b></p> <p>Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:</p> <p>a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;</p> <p>b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;</p> <p>c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;</p> <p>d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 10370
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances. a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion. b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.

e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.

b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.

c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.

d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 10370

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered. h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After October 18, 2017 (Incorp.) March 27, 2018 (Env.) Initial Rate Schedule</p>

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37579	D	Mcf	\$.3675	07/01/2018	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	9689	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.  
 NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 11080

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 08/01/2018

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/26/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 6/26/2018, new T-1 Cust Chg per 2018 GRIP for Inc. and Env. Central Texas service area

**OTHER(EXPLAIN):** Cust Chg from T-1-CTX-IS applicable

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
37874	**CONFIDENTIAL**	Y	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11080
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p><b>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE</b> Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p><b>1.2 DEFINITIONS</b> The following definitions shall apply to the indicated words as used in this Tariff:  Adder: Shall mean the Company's incremental cost to purchase natural gas.  Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.  Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.  Commission or The Commission: The Railroad Commission of Texas.  Company: Texas Gas Service Company, a division of ONE Gas, Inc.  Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative  Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.  Consumption Period: Shall mean a volumetric billing period.  Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.  Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.  Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.  Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.  Mcf: Shall mean one thousand (1,000) cubic feet of Gas  Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. (central clock time) on the first Day of the next succeeding calendar month.  Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.  Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.  PDA: Shall mean a predetermined allocation method.  Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.  Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.  Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.  Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.  Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable.  Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.  Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.  Transportation Form: Shall mean the Company approved selection of transportation service document.  Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.  Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.  Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.  Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.</p> <p><b>1.3 COMPANY'S RESPONSIBILITY</b> Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).  a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11080
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 11080**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
CT-T-10-IS-XA4	<p>Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)</p> <p>January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)</p> <p>November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:                      CTX Incorp January 27, 2014 (T-GTC)</p> <p>CTX Environs January 2, 2003 (T-GEN-ENV)</p> <p>STX Environs January 27, 2014 (T-GTC)</p> <p>Dripping Springs Environs January 31, 2006 (T-GEN)</p> <p>Kyle/Buda Environs April 30, 2008 (T-GEN)</p> <p>STX Incorp January 27, 2014 (T-GTC)</p> <p>STX Environs January 27, 2014 (T-GTC)</p> <p>CT-T-10-IS-XA4                      RATE COMPONENTS</p> <p>Cost of Service Rate:                      February 1, 2018 - January 31, 2019: \$0.40 per Mcf                      February 1, 2019 - January 31, 2020: \$0.50 per Mcf                      February 1, 2020 - January 31, 2021: \$0.60 per Mcf                      February 1, 2021 - January 31, 2022: \$0.70 per Mcf                      February 1, 2022 - January 31, 2023: \$0.80 per Mcf</p> <p>Cost of Service Rate Adjustment:                      Effective Jul 1, 2023 and each subsequent July consumption period thereafter during the term of this Agreement, Company may adjust the cost of service charge with ninety (90) days written notice to Customer. The Cost of Service Rate shall increase in direct proportion to the increase in the Company's year over year operating expenses. The amounts to be included in the annual calculation of operating expenses shall include:</p> <p>Transmission Expenses (excluding FERC Acct 858 - Transmission and Compression of Gas by Others), Distribution Expenses, Customer Accounts Expenses, Customer Service and Informational Expenses, Sales Expenses, Administrative and General Expenses and Taxes Other Than Income Taxes as reported In the Gas Utilities Distribution Annual Report to the Railroad Commission of Texas.</p> <p>Customer Charge:                      Additional Charges; Adjustments to the Cost of Service Rate shall be limited to not less than the then current Cost of Service Rate and not more than 5% of the then current Cost of Service Rate. During each monthly billing, a customer charge per Rate Schedule T-1; plus</p> <p>1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code; Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11080
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-CTX-IS	<p>2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.</p> <p>3) In the event the company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the Central Texas Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.</p> <p>4) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT. Company for Customer for transportation. Company shall not be obligated to pay or otherwise compensate or reimburse Customer for such PIK Gas.</p> <p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE T-1</p> <p style="text-align: center;">TRANSPORTATION SERVICE RATE</p> <p>APPLICABILITY</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p>AVAILABILITY</p> <p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's Central Texas distribution system which includes the incorporated areas of Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p> <p>COST OF SERVICE RATE</p> <p>During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p> <p>Commercial \$ 250.00 per month plus Interim Rate Adjustments \$8.92 (Footnote 1) Total Rate \$258.92</p> <p>Industrial \$ 350.00 per month plus Interim Rate Adjustments \$103.62 (Footnote 2) Total Rate \$453.62</p> <p>Public Authority \$ 70.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 3) Total Rate \$91.49</p> <p>Public Schools Space Heat \$ 200.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 4) Total Rate \$221.49</p> <p>Compressed Natural Gas \$ 75.00 per month plus Interim Rate Adjustments \$99.23 (Footnote 5) Total Rate \$174.23</p> <p>Electrical Cogeneration \$ 70.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 6) Total Rate \$91.49</p> <p>Plus - All Ccf per monthly billing period listed by customer class as follows:</p> <p>Commercial - \$0.11614 per Ccf (Footnote 7) Industrial - \$0.10273 per Ccf (Footnote 8) Public Authority - \$0.11541 per Ccf (Footnote 9) Public Schools Space Heat - \$0.10012 per Ccf (Footnote 10) Compressed Natural Gas - \$0.06684 per Ccf (Footnote 11)</p> <p>Electrical Cogeneration - For the First 5,000Ccf/month \$0.07720 per Ccf (Footnote 12) For the Next 35,000 Ccf/month \$0.06850 per Ccf (Footnote 13)</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11080
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	For the Next 60,000 Ccf/month \$0.05524 per Ccf (Footnote 14) All Over 100,000 Ccf/month \$0.04016 per Ccf (Footnote 15)
	<b>ADDITIONAL CHARGES:</b>
	1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
	2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.
	3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the Central Texas Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.
	4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE).
	5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.
	<b>SUBJECT TO</b>
	1) Tariff T-TERMS, General Terms and Conditions for Transportation
	2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Footnote 1: 2016 IRA - \$5.79 revised to \$5.17 (GUD No. 10714); 2017 IRA - \$3.75
	Footnote 2: 2016 IRA - \$65.77 revised to \$58.71 (GUD No. 10714); 2017 IRA - \$44.91
	Footnote 3: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 4: 2016 IRA - \$13.96; revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 5: 2016 IRA - \$60.25 revised to \$53.78 (GUD No. 10714); 2017 - \$45.45
	Footnote 6: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 7: \$0.13174 (GUD No. 10526) revised to \$0.11614 (GUD No. 10714)
	Footnote 8: \$0.11186 (GUD No. 10526) revised to \$0.10273 (GUD No. 10714)
	Footnote 9: \$0.12529 (GUD No. 10526) revised to \$0.11541 (GUD No. 10714)
	Footnote 10: \$0.11000 (GUD No. 10526) revised to \$0.10012 (GUD No. 10714)
	Footnote 11: \$0.07148 (GUD No. 10526) revised to \$0.06684 (GUD No. 10714)
	Footnote 12: \$0.08708 (GUD No. 10526) revised to \$0.07720 (GUD No. 10714)
	Footnote 13: \$0.07838 (GUD No. 10526) revised to \$0.06850 (GUD No. 10714)
	Footnote 14: \$0.06512 (GUD No. 10526) revised to \$0.05524 (GUD No. 10714)
	Footnote 15: \$0.05004 (GUD No. 10526) revised to \$0.04016 (GUD No. 10714)
	Supersedes Rate Schedule Dated June 16, 2017
	Meters Read On and After June 26,2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37827	D	Mcf	\$ .0839	01/01/2004	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	37874	**CONFIDENTIAL**			

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 11080**

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 11081

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 08/01/1988      **RECEIVED DATE:** 07/20/2018

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 07/01/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Eff. 7/1/2018, change to delivery pts. current rate info per 2018 COSA

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9406	**CONFIDENTIAL**	Y	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11081
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas. Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances. Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu. Commission or The Commission: The Railroad Commission of Texas. Company: Texas Gas Service Company, a division of ONE Gas, Inc. Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit. Consumption Period: Shall mean a volumetric billing period. Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day. Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis. Electronic Flow Measurement (EFM): A device that remotely reads a gas meter. Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof. Mcf: Shall mean one thousand (1,000) cubic feet of Gas Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. (central clock time) on the first Day of the next succeeding calendar month. Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month. Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas. PDA: Shall mean a predetermined allocation method. Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer. Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer. Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery. Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system. Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable. Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff. Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder. Transportation Form: Shall mean the Company approved selection of transportation service document. Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system. Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system. Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday. Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.</p> <p>1.3 COMPANY'S RESPONSIBILITY Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK). a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11081
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 11081**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)</p> <p>January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)</p> <p>November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:                      CTX Incorp January 27, 2014 (T-GTC)</p> <p>CTX Environs January 2, 2003 (T-GEN-ENV)</p> <p>STX Environs January 27, 2014 (T-GTC)</p> <p>Dripping Springs Environs January 31, 2006 (T-GEN)</p> <p>Kyle/Buda Environs April 30, 2008 (T-GEN)</p> <p>STX Incorp January 27, 2014 (T-GTC)</p> <p>STX Environs January 27, 2014 (T-GTC)</p>
CT-T-11-IS-XB3	<p>CT-T-11-IS-XB3</p> <p>RATE COMPONENTS</p> <p>4.1 Transporter's applicable Transportation Rate Schedules (T-1 and T-TERMS), as amended from time to time, shall govern the conditions under which transportation service is available. Beginning on the date deliveries of gas commence hereunder, Customer shall pay to Transporter each month, for each Mcf of gas redelivered by Transporter to Customer at the described Point(s) of Redelivery during the preceding month, the sum of the following:</p> <p>(a) a customer charge per meter per month as specified in Transporter's applicable Transportation Rate Schedule (T-1), as amended from time to time, which would otherwise govern transportation for each Point of Redelivery; plus</p> <p>(b) A cost of service rate for use of Transporter's facilities and all other services provided directly by Transporter for all volumes redelivered to Customer:</p> <p>All volumes redelivered each contract year @ \$0.8217 per Mcf</p> <p>(c) All amounts for any taxes (including, but not limited to Article 6060 Tax), fees, and Customer's lost and unaccounted for gas obligation</p>
T-1-CTX-IS	<p>TEXAS GAS SERVICE COMPANY                      Central Texas Service Area                      RATE SCHEDULE T-1</p> <p style="text-align: center;">TRANSPORTATION SERVICE RATE</p> <p>APPLICABILITY</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11081
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.

**AVAILABILITY**

Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's Central Texas distribution system which includes the incorporated areas of Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.

**COST OF SERVICE RATE**

During each monthly billing period, a customer charge per meter per month listed by customer class as follows:

Commercial \$ 250.00 per month  
plus Interim Rate Adjustments \$8.92 (Footnote 1) Total Rate \$258.92

Industrial \$ 350.00 per month  
plus Interim Rate Adjustments \$103.62 (Footnote 2) Total Rate \$453.62

Public Authority \$ 70.00 per month  
plus Interim Rate Adjustments \$21.49 (Footnote 3) Total Rate \$91.49

Public Schools Space Heat \$ 200.00 per month  
plus Interim Rate Adjustments \$21.49 (Footnote 4) Total Rate \$221.49

Compressed Natural Gas \$ 75.00 per month  
plus Interim Rate Adjustments \$99.23 (Footnote 5) Total Rate \$174.23

Electrical Cogeneration \$ 70.00 per month  
plus Interim Rate Adjustments \$21.49 (Footnote 6) Total Rate \$91.49

Plus - All Ccf per monthly billing period listed by customer class as follows:

Commercial - \$0.11614 per Ccf (Footnote 7)  
Industrial - \$0.10273 per Ccf (Footnote 8)  
Public Authority - \$0.11541 per Ccf (Footnote 9)  
Public Schools Space Heat - \$0.10012 per Ccf (Footnote 10)  
Compressed Natural Gas - \$0.06684 per Ccf (Footnote 11)

Electrical Cogeneration -  
For the First 5,000Ccf/month \$0.07720 per Ccf (Footnote 12)  
For the Next 35,000 Ccf/month \$0.06850 per Ccf (Footnote 13)  
For the Next 60,000 Ccf/month \$0.05524 per Ccf (Footnote 14)  
All Over 100,000 Ccf/month \$0.04016 per Ccf (Footnote 15)

**ADDITIONAL CHARGES:**

- 1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
- 2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.
- 3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the Central Texas Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.
- 4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE).
- 5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

SUBJECT TO



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11081
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	1) Tariff T-TERMS, General Terms and Conditions for Transportation
	2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Footnote 1: 2016 IRA - \$5.79 revised to \$5.17 (GUD No. 10714); 2017 IRA - \$3.75
	Footnote 2: 2016 IRA - \$65.77 revised to \$58.71 (GUD No. 10714); 2017 IRA - \$44.91
	Footnote 3: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 4: 2016 IRA - \$13.96; revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 5: 2016 IRA - \$60.25 revised to \$53.78 (GUD No. 10714); 2017 - \$45.45
	Footnote 6: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 7: \$0.13174 (GUD No. 10526) revised to \$0.11614 (GUD No. 10714)
	Footnote 8: \$0.11186 (GUD No. 10526) revised to \$0.10273 (GUD No. 10714)
	Footnote 9: \$0.12529 (GUD No. 10526) revised to \$0.11541 (GUD No. 10714)
	Footnote 10: \$0.11000 (GUD No. 10526) revised to \$0.10012 (GUD No. 10714)
	Footnote 11: \$0.07148 (GUD No. 10526) revised to \$0.06684 (GUD No. 10714)
	Footnote 12: \$0.08708 (GUD No. 10526) revised to \$0.07720 (GUD No. 10714)
	Footnote 13: \$0.07838 (GUD No. 10526) revised to \$0.06850 (GUD No. 10714)
	Footnote 14: \$0.06512 (GUD No. 10526) revised to \$0.05524 (GUD No. 10714)
	Footnote 15: \$0.05004 (GUD No. 10526) revised to \$0.04016 (GUD No. 10714)
	Supersedes Rate Schedule Dated June 16, 2017
	Meters Read On and After June 26, 2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37754	D	Mcf	\$ .8217	07/01/2018	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	9406	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 11082

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 08/01/1988                      **RECEIVED DATE:** 07/20/2018

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 07/01/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Eff. 7/1/2018, change to delivery pts. current rate info per 2018 COSA

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9406	**CONFIDENTIAL**	Y	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11082
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

T-TERMS-CTX-ISOS

TEXAS GAS SERVICE COMPANY

Central Texas Service Area

RATE SCHEDULE T-TERMS

GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE

**1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE**

Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.

**1.2 DEFINITIONS**

The following definitions shall apply to the indicated words as used in this Tariff:

Adder: Shall mean the Company's incremental cost to purchase natural gas.

Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.

Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.

Commission or The Commission: The Railroad Commission of Texas.

Company: Texas Gas Service Company, a division of ONE Gas, Inc.

Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative

Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

Consumption Period: Shall mean a volumetric billing period.

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. (central clock time) on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of

Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11082
------------------------	-----------------------------

**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11082
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)</p> <p>January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)</p> <p>November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:                      CTX Incorp January 27, 2014 (T-GTC)</p> <p>CTX Environs January 2, 2003 (T-GEN-ENV)</p> <p>STX Environs January 27, 2014 (T-GTC)</p> <p>Dripping Springs Environs January 31, 2006 (T-GEN)</p> <p>Kyle/Buda Environs April 30, 2008 (T-GEN)</p> <p>STX Incorp January 27, 2014 (T-GTC)</p> <p>STX Environs January 27, 2014 (T-GTC)</p>
CT-T-11-IS-XB4	<p>CT-T-11-IS-XB4</p> <p>RATE COMPONENTS</p> <p>4.1 Transporter's applicable Transportation Rate Schedules (T-1 and T-TERMS), as amended from time to time, shall govern the conditions under which transportation service is available.                      Beginning on the date deliveries of gas commence hereunder, Customer shall pay to Transporter each month, for each Mcf of gas redelivered by Transporter to Customer at the described Point(s) of Redelivery during the preceding month, the sum of the following:                      (a) a customer charge per meter per month as specified in Transporter's applicable Transportation Rate Schedule (T-1), as amended from time to time, which would otherwise govern transportation for each Point of Redelivery; plus                      (b) A cost of service rate for use of Transporter's facilities and all other services provided directly by Transporter for all volumes redelivered to Customer:                      All volumes redelivered each contract year @ \$0.8217 per Mcf                      (c) All amounts for any taxes (including, but not limited to Article 6060 Tax), fees, and Customer's lost and unaccounted for gas obligation</p>
T-1-CTX-IS	<p>TEXAS GAS SERVICE COMPANY                      Central Texas Service Area                      RATE SCHEDULE T-1</p> <p style="text-align: center;">TRANSPORTATION SERVICE RATE</p> <p>APPLICABILITY</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11082
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

of the distribution system.

## AVAILABILITY

Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's Central Texas distribution system which includes the incorporated areas of Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.

## COST OF SERVICE RATE

During each monthly billing period, a customer charge per meter per month listed by customer class as follows:

Commercial \$ 250.00 per month  
plus Interim Rate Adjustments \$8.92 (Footnote 1) Total Rate \$258.92

Industrial \$ 350.00 per month  
plus Interim Rate Adjustments \$103.62 (Footnote 2) Total Rate \$453.62

Public Authority \$ 70.00 per month  
plus Interim Rate Adjustments \$21.49 (Footnote 3) Total Rate \$91.49

Public Schools Space Heat \$ 200.00 per month  
plus Interim Rate Adjustments \$21.49 (Footnote 4) Total Rate \$221.49

Compressed Natural Gas \$ 75.00 per month  
plus Interim Rate Adjustments \$99.23 (Footnote 5) Total Rate \$174.23

Electrical Cogeneration \$ 70.00 per month  
plus Interim Rate Adjustments \$21.49 (Footnote 6) Total Rate \$91.49

Plus - All Ccf per monthly billing period listed by customer class as follows:

Commercial - \$0.11614 per Ccf (Footnote 7)  
Industrial - \$0.10273 per Ccf (Footnote 8)  
Public Authority - \$0.11541 per Ccf (Footnote 9)  
Public Schools Space Heat - \$0.10012 per Ccf (Footnote 10)  
Compressed Natural Gas - \$0.06684 per Ccf (Footnote 11)

Electrical Cogeneration -  
For the First 5,000Ccf/month \$0.07720 per Ccf (Footnote 12)  
For the Next 35,000 Ccf/month \$0.06850 per Ccf (Footnote 13)  
For the Next 60,000 Ccf/month \$0.05524 per Ccf (Footnote 14)  
All Over 100,000 Ccf/month \$0.04016 per Ccf (Footnote 15)

## ADDITIONAL CHARGES:

1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.

2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.

3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the Central Texas Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.

4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE).

5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

## SUBJECT TO

1) Tariff T-TERMS, General Terms and Conditions for Transportation

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 11082**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Footnote 1: 2016 IRA - \$5.79 revised to \$5.17 (GUD No. 10714); 2017 IRA - \$3.75 Footnote 2: 2016 IRA - \$65.77 revised to \$58.71 (GUD No. 10714); 2017 IRA - \$44.91 Footnote 3: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03 Footnote 4: 2016 IRA - \$13.96; revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03 Footnote 5: 2016 IRA - \$60.25 revised to \$53.78 (GUD No. 10714); 2017 - \$45.45 Footnote 6: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03 Footnote 7: \$0.13174 (GUD No. 10526) revised to \$0.11614 (GUD No. 10714) Footnote 8: \$0.11186 (GUD No. 10526) revised to \$0.10273 (GUD No. 10714) Footnote 9: \$0.12529 (GUD No. 10526) revised to \$0.11541 (GUD No. 10714) Footnote 10: \$0.11000 (GUD No. 10526) revised to \$0.10012 (GUD No. 10714) Footnote 11: \$0.07148 (GUD No. 10526) revised to \$0.06684 (GUD No. 10714) Footnote 12: \$0.08708 (GUD No. 10526) revised to \$0.07720 (GUD No. 10714) Footnote 13: \$0.07838 (GUD No. 10526) revised to \$0.06850 (GUD No. 10714) Footnote 14: \$0.06512 (GUD No. 10526) revised to \$0.05524 (GUD No. 10714) Footnote 15: \$0.05004 (GUD No. 10526) revised to \$0.04016 (GUD No. 10714)
	Supersedes Rate Schedule Dated June 16, 2017
	Meters Read On and After June 26,2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37755	D	Mcf	\$.8217	07/01/2018	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	9406	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.  
NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 11090

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 09/01/1997                      **RECEIVED DATE:** 07/20/2018

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 07/01/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Eff. 7/1/2018, change to delivery pts. current rate info per 2018 COSA

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
9607	**CONFIDENTIAL**	Y	



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11090
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**CURRENT RATE COMPONENT****RATE COMP. ID**      **DESCRIPTION**

T-TERMS-CTX-ISOS

TEXAS GAS SERVICE COMPANY  
 Central Texas Service Area  
 RATE SCHEDULE T-TERMS  
 GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE

**1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE**

Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.

**1.2 DEFINITIONS**

The following definitions shall apply to the indicated words as used in this Tariff:

Adder: Shall mean the Company's incremental cost to purchase natural gas.

Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.

Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.

Commission or The Commission: The Railroad Commission of Texas.

Company: Texas Gas Service Company, a division of ONE Gas, Inc.

Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative

Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

Consumption Period: Shall mean a volumetric billing period.

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. (central clock time) on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of

Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 11090
------------------------	-----------------------------

**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 11090**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)                       January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)                       November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:                      CTX Incorp January 27, 2014 (T-GTC)                       CTX Environs January 2, 2003 (T-GEN-ENV)                       STX Environs January 27, 2014 (T-GTC)                       Dripping Springs Environs January 31, 2006 (T-GEN)                       Kyle/Buda Environs April 30, 2008 (T-GEN)                       STX Incorp January 27, 2014 (T-GTC)                       STX Environs January 27, 2014 (T-GTC)</p>
CT-T-19-IS-MB	<p>CT-T-19-IS-MB                      RATE COMPONENTS                      (a) A customer charge per meter per month as specified in Transporter's applicable Transportation Rate Schedule (T-1), as amended from time to time, which would otherwise govern transportation service at each Point of Redelivery; plus                      (b) The transportation rate shall be \$0.2965 per Mcf for all volumes. Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad Commission of Texas as amended from time to time shall apply to this Agreement.</p>
T-1-CTX-IS	<p>TEXAS GAS SERVICE COMPANY                      Central Texas Service Area                      RATE SCHEDULE T-1</p> <p style="text-align: center;"><b>TRANSPORTATION SERVICE RATE</b></p> <p><b>APPLICABILITY</b></p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p><b>AVAILABILITY</b></p> <p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's Central Texas distribution system which includes the incorporated areas of Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas. Such service shall be provided at any point on the Company's System where adequate</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 11090**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.
	<b>COST OF SERVICE RATE</b>
	During each monthly billing period, a customer charge per meter per month listed by customer class as follows:
	Commercial \$ 250.00 per month plus Interim Rate Adjustments \$8.92 (Footnote 1) Total Rate \$258.92
	Industrial \$ 350.00 per month plus Interim Rate Adjustments \$103.62 (Footnote 2) Total Rate \$453.62
	Public Authority \$ 70.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 3) Total Rate \$91.49
	Public Schools Space Heat \$ 200.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 4) Total Rate \$221.49
	Compressed Natural Gas \$ 75.00 per month plus Interim Rate Adjustments \$99.23 (Footnote 5) Total Rate \$174.23
	Electrical Cogeneration \$ 70.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 6) Total Rate \$91.49
	Plus - All Ccf per monthly billing period listed by customer class as follows:
	Commercial - \$0.11614 per Ccf (Footnote 7)
	Industrial - \$0.10273 per Ccf (Footnote 8)
	Public Authority - \$0.11541 per Ccf (Footnote 9)
	Public Schools Space Heat - \$0.10012 per Ccf (Footnote 10)
	Compressed Natural Gas - \$0.06684 per Ccf (Footnote 11)
	Electrical Cogeneration - For the First 5,000Ccf/month \$0.07720 per Ccf (Footnote 12) For the Next 35,000 Ccf/month \$0.06850 per Ccf (Footnote 13) For the Next 60,000 Ccf/month \$0.05524 per Ccf (Footnote 14) All Over 100,000 Ccf/month \$0.04016 per Ccf (Footnote 15)
	<b>ADDITIONAL CHARGES:</b>
	1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
	2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.
	3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the Central Texas Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.
	4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE).
	5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.
	<b>SUBJECT TO</b>
	1) Tariff T-TERMS, General Terms and Conditions for Transportation
	2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 11090

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Footnote 1: 2016 IRA - \$5.79 revised to \$5.17 (GUD No. 10714); 2017 IRA - \$3.75
	Footnote 2: 2016 IRA - \$65.77 revised to \$58.71 (GUD No. 10714); 2017 IRA - \$44.91
	Footnote 3: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 4: 2016 IRA - \$13.96; revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 5: 2016 IRA - \$60.25 revised to \$53.78 (GUD No. 10714); 2017 - \$45.45
	Footnote 6: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 7: \$0.13174 (GUD No. 10526) revised to \$0.11614 (GUD No. 10714)
	Footnote 8: \$0.11186 (GUD No. 10526) revised to \$0.10273 (GUD No. 10714)
	Footnote 9: \$0.12529 (GUD No. 10526) revised to \$0.11541 (GUD No. 10714)
	Footnote 10: \$0.11000 (GUD No. 10526) revised to \$0.10012 (GUD No. 10714)
	Footnote 11: \$0.07148 (GUD No. 10526) revised to \$0.06684 (GUD No. 10714)
	Footnote 12: \$0.08708 (GUD No. 10526) revised to \$0.07720 (GUD No. 10714)
	Footnote 13: \$0.07838 (GUD No. 10526) revised to \$0.06850 (GUD No. 10714)
	Footnote 14: \$0.06512 (GUD No. 10526) revised to \$0.05524 (GUD No. 10714)
	Footnote 15: \$0.05004 (GUD No. 10526) revised to \$0.04016 (GUD No. 10714)
	Supersedes Rate Schedule Dated June 16, 2017
	Meters Read On and After June 26, 2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
92884	D	Mcf	\$ .2965	07/01/2018	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer 9607 **CONFIDENTIAL**					
92882	D	Mcf	\$ .2965	07/01/2018	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer 9607 **CONFIDENTIAL**					
92883	D	Mcf	\$ .2965	07/01/2018	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer 9607 **CONFIDENTIAL**					

**TYPE SERVICE PROVIDED**

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

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 11090**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 15267

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 08/11/2004      **RECEIVED DATE:** 11/13/2017

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 12/30/2014

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** Y      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Update customer name (now Cust. #35313)

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
35313	**CONFIDENTIAL**	Y	

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
BR-T-2_Breck_OS_XN	BR-T-2_Breck_OS_XN6 RATE COMPONENTS Customer shall pay to Transporter each month, a cost of service rate of \$0.05 for each MMBtu of gas redelivered by Transporter to Customer at the Point(s) of Redelivery. RATE ADJUSTMENT PROVISION N/A

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
57173	D	MMBtu	\$.0500	04/30/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
Customer	35313	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 15267**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 19303

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 10/19/2017

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 10/18/2017

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Rate component language updated to reflect contract language, eff. 10/18/2017

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
28412	**CONFIDENTIAL**	Y	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 19303
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
CT-T-28-OS-MB	<p>RATES 4.1</p> <p>Subject to the other provisions of this Agreement, beginning on January 1, 2007, Shipper shall pay to Transporter each month, for each MMBtu of Gas redelivered by Transporter to Shipper at the above-described Point(s) of Redelivery during the preceding month, the sum of the following transportation fee and other costs:</p> <p>(a) A monthly customer charge of \$150.00 per month. For all volumes redelivered each month \$1.151 per MMBtu; plus</p> <p>(b) All amounts for any taxes attributable to the volumes redelivered to Shipper (including, but not limited to Texas utilities Code 122.051 (Tax), fees, and Shipper's lost and unaccounted-for obligation unless Shipper has furnished Transporter satisfactory certificates showing that Shipper is exempt from any such taxes or fees; plus</p> <p>(c) Any third party demand charges, transport or service fees paid by Transporter on behalf of Shipper associated with the transportation of gas hereunder; plus</p> <p>(d) A lost and unaccounted for allowance of 2% will be added to the volumes redelivered each month to Shipper's distribution customers. 4.2 The costs described in Paragraph 4.1 above may be adjusted from time to time to reflect any changes, as determined by Transporter, in such costs. Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad commission of Texas as amended from time to time shall apply to this Agreement.</p>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY                      Central Texas Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p><b>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE</b>                      Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p><b>1.2 DEFINITIONS</b>                      The following definitions shall apply to the indicated words as used in this Tariff:                      Adder: Shall mean the Company's incremental cost to purchase natural gas.                      Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.                      Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.                      Commission or The Commission: The Railroad Commission of Texas.                      Company: Texas Gas Service Company, a division of ONE Gas, Inc.                      Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.                      Consumption Period: Shall mean a volumetric billing period.                      Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.                      Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.                      Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.                      Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.                      Mcf: Shall mean one thousand (1,000) cubic feet of Gas                      Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.                      Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.                      Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.                      PDA: Shall mean a predetermined allocation method.                      Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.                      Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.                      Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.                      Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.                      Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 19303
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Area, or the Railroad Commission of Texas, as applicable.                      Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.                      Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.                      Transportation Form: Shall mean the Company approved selection of transportation service document.                      Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.                      Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.                      Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.                      Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.</p> <p><b>1.3 COMPANY'S RESPONSIBILITY</b>                      Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).                      a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.</p> <p><b>1.4 CUSTOMER'S RESPONSIBILITY</b>                      Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:                      a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;                      b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;                      c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;                      d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;                      e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;                      f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;                      g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;                      h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.</p> <p><b>1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY</b>                      Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.                      a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.                      b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.                      c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.                      d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 19303
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>zero (0) imbalance as practicable.</p> <p>e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.</p> <p>1.6 IMBALANCES</p> <p>Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:</p> <p>October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)</p> <p>January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)</p> <p>November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:</p> <p>CTX Incomp January 27, 2014 (T-GTC)</p> <p>CTX Environs January 2, 2003 (T-GEN-ENV)</p> <p>STX Environs January 27, 2014 (T-GTC)</p> <p>Dripping Springs Environs January 31, 2006 (T-GEN)</p> <p>Kyle/Buda Environs April 30, 2008 (T-GEN)</p> <p>STX Incomp January 27, 2014 (T-GTC)</p> <p>STX Environs January 27, 2014 (T-GTC)</p>

**RATE ADJUSTMENT PROVISIONS:**

None
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 19303

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
66215	D	Mcf	\$.0000	01/01/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	28412	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 19504

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 02/01/2004      **RECEIVED DATE:** 05/02/2008

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

**INACTIVE DATE:**      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** Y      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** TGS took over contracts from TGS RIO eff. 06/01/07

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
28612	**CONFIDENTIAL**	Y	

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
RGV-T-32-ISOS-6000	The Customer shall pay each Month: 1) a meter operation charge of Three Hundred Seventy-Five Dollars (\$375.00); 2) for each MMBtu of gas delivered by Transporter to Customer at the point(s) of delivery : \$0.21 per MMBtu; 3) Transporter shall retain a percentage of the MMBtu received at the Point(s) of Receipt for fuel and line loss of 0.50%. <b>MAXIMUM DAILY QUANTITY (MDQ) UNDER THIS AGREEMENT 25,000 MMBTU/day</b> Daily Delivery Imbalance: Shipper shall be assessed a charge for each MMBTU of Daily Delivery Imbalance pursuant To the following fee schedule: Actual deliveries above or below the Scheduled Daily Rate 0 to 10% MMBTU per day variance - no charge Greater than 10% up to 20% per day variance - \$0.15 per MMBTU Greater than 20% per day variance - \$0.20 per MMBTU 6. Taxes and Governmental Fees: Customer shall be liable for and shall pay, cause to be paid, or reimburse Transporter if Transporter has paid, causes to be paid or becomes obligated to pay, any Taxes or Governmental Fees attributable to or associated with any or all of the following: (i) any service or transaction to be performed by Transporter or its designee under this Agreement, and (ii) any payment by Transporter or its designee to Customer or Customer's designee under this Agreement. Customer further agrees to pay any and all filing fees that Transporter or its designee may be required to pay to any regulatory agency or governmental body with respect to this Agreement, or the transaction service performed hereunder. The provisions of this Article shall survive termination of this Agreement. Taxes means any or all occupation, severance, production, extraction, first use, conservation, Btu or energy, gathering, transport, pipeline, utility, gross receipts, gas or oil revenue, gas or oil import, privilege, sales, use, consumption, excise, lease, transaction, and other taxes or New Taxes, governmental charges or fees, licenses, fees, permits and assessments, or increases therein, and any interest or penalties on such taxes, charges, licenses, fees, permits, New Taxes and assessments, other than taxes based on net income or net worth and Governmental Fees. New Taxes means (i) any Taxes enacted and effective after the Effective Date, including, without limitation, that portion of any Taxes or New Taxes that constitutes an increase, or (ii) any law, order, rule or regulation, or interpretation thereof, enacted and effective after the Effective Date resulting in the application of any Taxes to a new or different class of parties. Governmental Fees means any and all privilege, franchise fees, charges, user fees or rentals levied by governmental entities in exchange for the grant of privileges relating to use of land or improvements thereon.
RGV-T-34-ISOS-GTC	Service is provided pursuant to the terms and conditions set out in the Company's Statement of Operating Conditions. A copy of the Company's Statement of Operating Conditions can be obtained by contacting: Texas Gas Service Company Attn: Contract Administration 1301 S. Mopac Expressway, Ste. 400 Austin, TX 78746 Phone: (512) 370-8661 Fax: (512) 476-4966

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 19504

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
66572	D	Mcf	\$.2100	06/01/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	28612	**CONFIDENTIAL**			
66574	D	Mcf	\$.2100	06/01/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	28612	**CONFIDENTIAL**			
66573	D	Mcf	\$.2100	06/01/2007	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	28612	**CONFIDENTIAL**			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.  
 NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 23478**

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 06/26/2018                      **RECEIVED DATE:** 04/15/2019

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 03/29/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:** ORD-CTX-IS;2018GRIP Ord,Op-Law

**AMENDMENT(EXPLAIN):** Eff. 3/29/19, new PIT Rider rate apprved via GUD 10526 and Rate Sched Pipeline Safety Fee rate is \$1.00/meter billed during April-19 billing cycles.

**OTHER(EXPLAIN):** Eff. 6/26/2018, new Customer Charge rate per 2018 GRIP Filing for CTX Incorporated Svc Area, approved via Ord, OpLaw, incl. reduced svc rates pursuant

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG: Y**                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
31811	Transportation customers within the Incomp. areas of the CENTRAL TX SVC AREA	N	



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23478
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

PIT-CTX-ISOS

TEXAS GAS SERVICE COMPANY RATE SCHEDULE PIT  
Central Texas Service Area  
PIPELINE INTEGRITY TESTING (PIT) RIDER

**PURPOSE**

The purpose of this Pipeline Integrity Testing Rider is to promote the public interest in pipeline safety by enabling the Company to recover the reasonable and necessary Pipeline Integrity Safety Testing expenses incurred by the Company during the prior year (including contractor costs but excluding the labor cost of TGS employees. These legally mandated operating and maintenance expenses shall be recovered through a separate monthly volumetric charge (the Pipeline Integrity Testing or PIT Surcharge) that shall be shown as a separate line item on the customer's monthly bill and calculated for each customer class as described below. Capital expenditures associated with the Pipeline Integrity Program shall continue to be recovered through base rates and any interim rate adjustments implemented pursuant to Section 104.301 of the Gas Utility Regulatory Act.

**APPLICABILITY**

This Rider shall be applied to all gas sales and transportation customers within the service territory designated below, except special contract customers.

**TERRITORY**

This Rider shall apply throughout the Company's Central Texas Service Area (CTSA), both within the incorporated municipal limits of Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley and West Lake Hills and Yoakum, Texas (collectively, the CTSA Cities), and in the unincorporated areas (environs) adjacent to the CTSA Cities.

**QUALIFYING EXPENSES**

This Rider applies only to the legally mandated safety testing of the Company's transmission lines in the CTSA under the Pipeline Integrity Safety Testing Program. The operating and maintenance expense items that qualify for recovery under this Rider shall include the contractor costs associated with land and leak survey, permitting, and job order preparation and completion; the clearing of right-of-way; any needed notifications to adjacent businesses and residences; traffic control equipment and personnel; Direct Current Voltage Gradient (DCVG), Close Interval (CI), and other surveys to ensure the integrity of the pipeline system; any required rigid bypasses; flushing of the lines and testing and disposal of the flush water; hydrostatic testing of the lines and analysis and disposal of the test water; any required pigging of the lines in connection with safety testing; any required x-ray welding; metallurgical testing of the pipeline or components thereof; site restoration, painting, and clean-up; and expenses associated with providing a supply of compressed natural gas (CNG) to ensure uninterrupted service to customers during testing; and any other operating and maintenance expenses reasonably necessary to safely and effectively perform required safety testing of the Company's pipelines in the CTSA. Neither capital expenditures by the Company, nor the labor cost of TGS employees, shall be recovered under this Rider.

**CALCULATION OF PIT SURCHARGES**

The Pipeline Integrity Testing Surcharges established under this Rider shall be designed so as to recover the Total Testing Expense incurred in the prior year for Pipeline Integrity Safety Testing, and shall be calculated as follows:

The Total Annual Testing Expense shall be divided by the estimated average annual usage to produce the annual PIT Surcharge.

$$\text{PIT Surcharge} = \frac{\text{Total Annual Testing Expense}}{\text{Estimated Annual Usage}}$$

Based upon customer data for the prior calendar year and any other relevant factors, the estimated annual usage may be revised annually to account for customer growth, and the resulting revised PIT Surcharge shall be applied to each class for the ensuing 12-month recovery period.

**ANNUAL RECONCILIATION**

After completion of each annual recovery period, the total revenues collected under this Rider for that year shall be reconciled against the revenues previously calculated to be collected for that year, and the PIT Surcharge for each class shall be adjusted upward or downward so that the Company recovers any underrecoveries or refunds any overrecoveries that may have accrued under the Rider, plus monthly interest on those underrecoveries or overrecoveries at the cost of long-term debt approved in the Company's most recent general rate case in which rates were set by the Commission for application to customers in the CTSA Cities. The reconciliation shall be filed with the regulatory authority on or before February 21st of each year, and the regulatory authority shall complete its review of the reconciliation on or before March 21st of each year, so that the Company can implement the reconciled PIT Surcharges beginning with the first billing cycle for April of each succeeding year.

**DEFERRED ACCOUNTING**

The Company is authorized and directed to defer, as a regulatory asset, all Pipeline Integrity Safety Testing expenses incurred during the testing cycle starting on January 1, 2016 and all revenues specifically collected under this Rider shall be applied to the deferred expense account. The Company shall not earn a return on any regulatory asset created under this provision, and no such regulatory asset shall be included in the Company's invested capital (rate base) for ratemaking purposes.

**ANNUAL REPORT & APPLICABLE PSCC**

On or before February 21st after each calendar year, the Company shall file a report with the Commission and the CTSA Cities showing

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 23478**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>												
1C-CTX-IS-CAC Adj	<p>all Pipeline Integrity Safety Testing expenses incurred during the previous calendar year and verifying the prior year's collections and any underrecoveries or overrecoveries accruing to date under this Rider. The report shall separately identify and list such expenses by account number and project number. Prior to the effective date of this Rider and on or before February 21st of each succeeding year while this Rider is in effect, the Company shall also file an Addendum to this Rider with the Commission and the CTSA Cities (a) identifying the PIT Surcharges that will be applied during the ensuing 12-month recovery period from April 1st through March 31st, and (b) providing the underlying data and calculations on which each PIT Surcharge for that period is based.</p> <p><b>NOTICE TO AFFECTED CUSTOMERS</b>                      In addition to the annual report and Addendum to this Rider required above, the Company shall provide, on or before March 31st after each calendar year, written notice to each affected customer of (a) the PIT Surcharge that will be applied during the ensuing 12-month period from April 1st through March 31st, and (b) the effect the PIT Surcharge is expected to have on the average monthly bill for each affected customer class. The written notice shall be provided in both English and Spanish, shall be the only information contained on the piece of paper on which it is printed, and may be provided either by separate mailing or by insert included with the Company's monthly billing statements. The Company shall also file an affidavit annually with the Commission and the CTSA Cities certifying that notice has been provided to customers in this manner. The notice shall be presumed to be complete three calendar days after the date the separate mailing or billing statement is deposited in a postage-paid, properly addressed wrapper in a post office or official depository under care of the United States Postal Service. The initial notice shall be filed with, reviewed, and approved by the regulatory authority, and each subsequent notice shall follow the same format as that of the approved initial notice.</p> <p>Initial                      Meters Read On and After                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)                       January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)                       November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)                      Texas Gas Service Company, a Division of ONE Gas, Inc.                      Central Texas Service Area                      RATE SCHEDULE 1C</p> <p><b>CONSERVATION ADJUSTMENT CLAUSE RATE</b></p> <p><b>A. APPLICABILITY</b>                      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, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas.</p> <p><b>B. CURRENT CAC RATE</b></p> <table border="0"> <tr> <td>Rate Schedule</td> <td>Customer Class</td> <td>*Monthly Conservation Rate</td> </tr> <tr> <td>10</td> <td>Residential Service</td> <td>\$ 1.19 fixed customer charge</td> </tr> <tr> <td>20</td> <td>Commercial Service</td> <td>\$ 0.00520 per Ccf</td> </tr> <tr> <td>T-1</td> <td>Commercial Transportation Service</td> <td>\$ 0.00520 per Ccf</td> </tr> </table> <p>*The Conservation Rate will change every three years, starting with meters read on and after December 31, 2018, pursuant to Rate Schedule CAC.</p> <p>Meters Read On and After: December 31, 2018                      Supersedes Rate Schedule Dated: January 26, 2018                      (Cities of Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, TX)                      Texas Gas Service Company, a Division of ONE Gas, Inc.                      Central Texas Service Area                      RATE SCHEDULE CAC                      CONSERVATION ADJUSTMENT CLAUSE</p> <p><b>DESCRIPTION</b>                      The Conservation Adjustment Clause recovers the costs associated with the Conservation and Energy Efficiency Program offered by Texas Gas Service Company, a Division of ONE Gas, Inc., (Company), which offers assistance to residential and commercial customers to encourage efficient use of energy, reduce net energy consumption and lower energy utility bills.</p> <p><b>APPLICABILITY</b>                      This rate schedule is applicable to the residential and commercial rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc., that apply to the incorporated areas of the Central Texas Service Area. This tariff will be effective beginning with the first billing cycle of 2019.</p>	Rate Schedule	Customer Class	*Monthly Conservation Rate	10	Residential Service	\$ 1.19 fixed customer charge	20	Commercial Service	\$ 0.00520 per Ccf	T-1	Commercial Transportation Service	\$ 0.00520 per Ccf
Rate Schedule	Customer Class	*Monthly Conservation Rate											
10	Residential Service	\$ 1.19 fixed customer charge											
20	Commercial Service	\$ 0.00520 per Ccf											
T-1	Commercial Transportation Service	\$ 0.00520 per Ccf											
CAC-CTX-IS-Conser	<p><b>DESCRIPTION</b>                      The Conservation Adjustment Clause recovers the costs associated with the Conservation and Energy Efficiency Program offered by Texas Gas Service Company, a Division of ONE Gas, Inc., (Company), which offers assistance to residential and commercial customers to encourage efficient use of energy, reduce net energy consumption and lower energy utility bills.</p> <p><b>APPLICABILITY</b>                      This rate schedule is applicable to the residential and commercial rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc., that apply to the incorporated areas of the Central Texas Service Area. This tariff will be effective beginning with the first billing cycle of 2019.</p>												

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23478
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p><b>TERRITORY</b> The incorporated areas of the Central Texas Service Area include Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas.</p> <p><b>DEFINED TERMS</b> The following definitions are for use specifically in this rider: 1. CAC Charge: The charge on customers' monthly utility bills, the proceeds from which are used to fund the Conservation and Energy Efficiency Program; 2. Regulatory Body: A city in the Central Texas Service Area, including any department or office within a city with delegated authority to review and approve the Conservation and Energy Efficiency budget and CAC Charge adjustment; 3. Residential Customers: All incorporated residential gas sales customers within the Central Texas Service Area; and 4. Commercial Customers: All incorporated commercial gas sales and transportation customers within the Central Texas Service Area.</p> <p><b>TERMS AND CONDITIONS</b> 1. The CAC Charge outlined in this tariff shall be updated every three years in conjunction with the filing of the CAC budget. 2. The programs offered under the Conservation Adjustment Clause (CAC) may include, but are not limited to, residential, new construction and commercial customer rebates and a low-income free appliance replacement program. 3. A minimum of seventy percent (70 percent) of total annual program costs shall be for direct programs including, but not limited to, direct installation programs, weatherization, low-income free equipment, and rebates on high-efficiency natural gas appliances. 4. The remaining program costs shall be spent on common education and administrative costs. Administrative costs shall not exceed fifteen percent (15 percent) of total CAC program costs. 5. Common education and administrative costs will be allocated to each rate class based upon the proportion of direct costs. 6. Actual expenditures on direct programs may vary from the budgeted amounts among approved programs of the same customer class. 7. The overall portfolio of direct program offerings shall be designed to conserve energy and contain a comprehensive array of programs that allows for participation from a wide variety of customer types. The overall budget shall be cost-effective based on the evaluation of a third-party consultant using industry standard methodologies, such as those prescribed by the California Standard Practice Manual. 8. Texas Gas Service will provide the City of Austin Resource Management Commission (Commission) or successor board or commission the proposed program selection and budget no later than 45 days prior to a budget filing. The Commission will review the program selection and budget, provide input and make a recommendation to the City of Austin. Public comment and/or input shall be heard by the Commission during these meetings. 9. A proposed budget shall be deemed approved if all terms and conditions are met.</p> <p><b>ADJUSTMENT OF CAC CHARGE</b> The CAC Charge for a given three-year period will be separately calculated for each individual customer class according to the following and shall be included on the customer's monthly utility bill. The initial charge, to begin with the first billing cycle of 2019, will be implemented in conjunction with the budget for the years 2019-2021.</p> <p>Residential CAC Fixed Charge = BCD + BA/NB Commercial CAC Volumetric Charge = BCD + BA/NV BCD = Budgeted Conservation Dollars. The BCD shall include all expected costs attributable to the Company's Conservation and Energy Efficiency Program for the 12-month period ending December 31 of each year, including but not limited to, rebates paid, material costs, cost of educational and consumer awareness materials related to energy conservation/efficiency, planning, development, implementation, evaluation and administration of the CAC program. BA = Balance Adjustment. The BA shall compute the differences between Rider CAC collections by class and expenditures by class for the 36-month period ending the prior (date) and collect the over/under recovery during the subsequent 36-month period beginning (date) of the following year. NB = Actual bills from the prior calendar year, normalized for growth/attrition NV = Actual volumes from the prior calendar year normalized for weather and growth/attrition, listed in Ccf REPORTING Program selection and the annual budget will be determined for a 3-year period. The following documents will be filed with the Regulatory Body beginning in 2018: 1. Rate Schedule 1C indicating the new CAC Charge for each of the affected rate classes, to be filed within 20 days of implementation; 2. An annual report of the prior calendar year collections and disbursements, to be filed within 120 days following the prior calendar year end. The annual report will also be made available on the Company's website. The annual filing shall include the BCD, twelve-month BA, data on the total cost of the Conservation and Energy Efficiency Program, and reporting of program administrative and education costs; and 3. A calendar year budget will be provided to the Regulatory Body by the Company on or before October 15 of the year prior to start of the following 3-year period. If no action is taken by the Regulatory Body by November 30, the budget and resulting CAC charge will automatically be approved for the next three-year period.</p> <p><b>NOTICE AND REGULATORY EXPENSES</b> The cost of any public notice issued or regulatory expenses incurred will be recovered through the subsequent CAC Charge and are not subject to the approved budget or administrative cap.</p> <p>Meters Read On or After November 30, 2018 Supersedes Rate Scheduled Dated October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX) January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)</p>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23478
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION****1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE**

Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.

**1.2 DEFINITIONS**

The following definitions shall apply to the indicated words as used in this Tariff:

**Adder:** Shall mean the Company's incremental cost to purchase natural gas.

**Aggregation Areas:** Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.

**Btu:** Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.

**Commission or The Commission:** The Railroad Commission of Texas.

**Company:** Texas Gas Service Company, a division of ONE Gas, Inc.

**Customer:** Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative

**Tolerance Limit:** Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

**Consumption Period:** Shall mean a volumetric billing period.

**Day or Gas Day:** Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

**Dekatherm (Dth):** Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

**Electronic Flow Measurement (EFM):** A device that remotely reads a gas meter.

**Gas or Natural Gas:** Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

**Mcf:** Shall mean one thousand (1,000) cubic feet of Gas

**Month:** Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.

**Monthly Tolerance Limit:** Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

**Payment in Kind (PIK):** Shall mean a reimbursement for lost and unaccounted for gas.

**PDA:** Shall mean a predetermined allocation method.

**Pipeline System:** Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of

**Delivery:** Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

**Point of Receipt:** Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

**Point Operator:** Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

**Qualified Supplier:** Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

**Regulatory Authority:** The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable.

**Service Area:** The area receiving gas utility service provided by the Company under the terms of this Tariff.

**Tariff:** Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

**Transportation Form:** Shall mean the Company approved selection of transportation service document.

**Transportation Rate Schedule:** A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

**Transportation Service:** The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

**Week:** Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

**Year:** Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23478
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received and due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.
- e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.
- f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23478
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-CTX-IS	<p>may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)                      January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)                      November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:                      CTX Incorp January 27, 2014 (T-GTC)                      CTX Environs January 2, 2003 (T-GEN-ENV)                      STX Environs January 27, 2014 (T-GTC)                      Dripping Springs Environs January 31, 2006 (T-GEN)                      Kyle/Buda Environs April 30, 2008 (T-GEN)                      STX Incorp January 27, 2014 (T-GTC)                      STX Environs January 27, 2014 (T-GTC)</p> <p>TEXAS GAS SERVICE COMPANY Central Texas Service Area                      RATE SCHEDULE T-1                      TRANSPORTATION SERVICE RATE</p> <p><b>APPLICABILITY</b>                      Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system. <b>AVAILABILITY</b> Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's Central Texas distribution system which includes the incorporated areas of Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p> <p><b>COST OF SERVICE RATE</b>                      During each monthly billing period, a customer charge per meter per month listed by customer class as follows: Commercial \$ 250.00 per month plus Interim Rate Adjustments \$8.92 (Footnote 1) Total Rate \$258.92                      Industrial \$ 350.00 per month plus Interim Rate Adjustments \$103.62 (Footnote 2) Total Rate \$453.62                      Public Authority \$ 70.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 3) Total Rate \$91.49                      Public Schools Space Heat \$ 200.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 4) Total Rate \$221.49                      Compressed Natural Gas \$ 75.00 per month plus Interim Rate Adjustments \$99.23 (Footnote 5) Total Rate \$174.23                      Electrical Cogeneration \$ 70.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 6) Total Rate \$91.49 Plus - All Ccf per monthly billing period listed by customer class as follows:                      Commercial - \$0.11614 per Ccf (Footnote 7)                      Industrial - \$0.10273 per Ccf (Footnote 8)                      Public Authority - \$0.11541 per Ccf (Footnote 9)                      Public Schools Space Heat - \$0.10012 per Ccf (Footnote 10)                      Compressed Natural Gas - \$0.06684 per Ccf (Footnote 11)</p> <p>Electrical Cogeneration -                      For the First 5,000Ccf/month \$0.07720 per Ccf (Footnote 12)</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 23478**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	For the Next 35,000 Ccf/month \$0.06850 per Ccf (Footnote 13) For the Next 60,000 Ccf/month \$0.05524 per Ccf (Footnote 14) All Over 100,000 Ccf/month \$0.04016 per Ccf (Footnote 15)
	<b>ADDITIONAL CHARGES:</b> 1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder. 2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities. 3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the Central Texas Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer. 4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE). 5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT. 6) The billing of commercial transportation shall reflect adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule CAC and Rate Schedule 1C, if applicable.
	<b>SUBJECT TO</b> 1) Tariff T-TERMS, General Terms and Conditions for Transportation 2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer. 3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Footnote 1: 2016 IRA - \$5.79 revised to \$5.17 (GUD No. 10714); 2017 IRA - \$3.75 Footnote 2: 2016 IRA - \$65.77 revised to \$58.71 (GUD No. 10714); 2017 IRA - \$44.91 Footnote 3: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03 Footnote 4: 2016 IRA - \$13.96; revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03 Footnote 5: 2016 IRA - \$60.25 revised to \$53.78 (GUD No. 10714); 2017 - \$45.45 Footnote 6: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03 Footnote 7: \$0.13174 (GUD No. 10526) revised to \$0.11614 (GUD No. 10714) Footnote 8: \$0.11186 (GUD No. 10526) revised to \$0.10273 (GUD No. 10714) Footnote 9: \$0.12529 (GUD No. 10526) revised to \$0.11541 (GUD No. 10714) Footnote 10: \$0.11000 (GUD No. 10526) revised to \$0.10012 (GUD No. 10714) Footnote 11: \$0.07148 (GUD No. 10526) revised to \$0.06684 (GUD No. 10714) Footnote 12: \$0.08708 (GUD No. 10526) revised to \$0.07720 (GUD No. 10714) Footnote 13: \$0.07838 (GUD No. 10526) revised to \$0.06850 (GUD No. 10714) Footnote 14: \$0.06512 (GUD No. 10526) revised to \$0.05524 (GUD No. 10714) Footnote 15: \$0.05004 (GUD No. 10526) revised to \$0.04016 (GUD No. 10714)
ORD-CTX-IS	Meters Read On and After November 30, 2018 Supersedes Rate Schedule Dated June 26, 2018 TEXAS GAS SERVICE COMPANY (TGS) Central Texas Service Area RATE SCHEDULE ORD-CTX CITY ORDINANCE LISTING  <b>APPLICABILITY</b> Applicable to all gas sales and standard transport customers.  <b>TERRITORY</b> All customers in the incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, West Lake Hills, Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner and Yoakum, Texas,  <b>DESCRIPTION</b> Per TGS rate case filed June 20, 2016 and the GUD 10526 Unanimous Settlement Agreement signed by TGS, the Central Texas cities, and the RRC on October 11, 2016, the incorporated areas and environs of Central Texas (CTX) and South Texas Service Areas (STSA) were consolidated into the new Central Texas Service Area. New rates for gas sales and transportation service for incorporated CTX were approved by the CTX cities and former STSA cities via ordinances listed below or operation of law.  City Ordinance Number    Date Ordinance Passed    Effective Date of Gas Sales Rate Schedules Austin 20161103-077 11/03/2016    10/26/2016 Bee Cave 320 10/25/2016    10/26/2016 Cedar Park G03.16.11.10.E1 11/10/2016 10/26/2016 Dripping Springs 1790.02 10/18/2016 10/26/2016 Kyle 913 10/18/2016 10/26/2016 Lakeway 2016-10-17-08 10/17/2016 10/26/2016

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23478
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Rollingwood 2016-10-19 10/19/2016 10/26/2016 Sunset Valley 161101 11/01/2016 10/26/2016 West Lake Hills 435 10/26/2016 10/26/2016 Cuero 2016-24 1/13/2017 01/06/2017 Gonzales Op-Law 01/06/2017 01/06/2017 Lockhart 2016-29 12/20/16 01/06/2017 Luling 2016-0-11 12/8/16 01/06/2017 Nixon 0-2016-12-12 12/12/16 01/06/2017 Shiner Op-Law 01/06/2017 01/06/2017 Yoakum 2120 12/13/16 01/06/2017  Meters Read On and After: January 6, 2017 Supersedes: October 26, 2016
PIT-Rider-CTX-ISOS	Texas Gas Service Company, a Division of ONE Gas, Inc. Central Texas Service Area RATE SCHEDULE PIT-RIDER  <p style="text-align: center;">PIPELINE INTEGRITY TESTING (PIT) SURCHARGE RIDER</p> <p>A. APPLICABILITY</p> <p>The Pipeline Integrity Testing Surcharge (PIT) rate as set forth in Section (B) below is pursuant to Final Order in GUD 10526. This rate shall apply to the following rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. in the incorporated and unincorporated areas of and adjacent to the Central Texas Service Area (CTSA): 10, 20, 30, 40, 48, C-1, CNG-1, T-1, 1Z, 2Z, 3Z, 4Z, 4H, C-1-ENV, CNG-1-ENV and T-1-ENV.</p> <p>B. PIT RATE</p> <p>\$0.00449 per Ccf</p> <p>This rate will be in effect until all approved and expended pipeline integrity testing expenses are recovered under the applicable rate schedules.</p> <p>C. OTHER ADJUSTMENTS</p> <p>Taxes: Plus applicable taxes and fees (including franchises fees) related to above.</p> <p>D. CONDITIONS</p> <p>Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority. Meters Read On and After March 29, 2019 Initial Rate Schedule</p>
PSF-ALL-ISOS-PSAF	Texas Gas Service Company, a Division of ONE Gas, Inc. All Service Areas RATE SCHEDULE PSF  <p style="text-align: center;">PIPELINE SAFETY AND REGULATORY PROGRAM FEES</p> <p>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 Section 8.201 Pipeline Safety and Regulatory Program Fees</p> <p>(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.</p> <p>(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.</p>



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23478
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:

(A) the pipeline safety and regulatory program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(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 Section 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) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program 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 system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory 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 paragraph (1) of this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:

(A) the pipeline safety and regulatory program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(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) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.

Source Note: The provisions of this Section 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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23478

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947
	Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
74236	D	Mcf	\$.0000	06/30/2009	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	31811	Transportation customers within the Incorp. areas of the CENTRAL TX SVC AREA			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	
M	Other(with detailed explanation)	Firm Transportation customers within the Incorp. areas of the CENTRAL TX SVC AREA

**TUC APPLICABILITY**

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 23479

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 02/28/2019                      **RECEIVED DATE:** 04/15/2019

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 04/01/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:** 10656RC 10784GRIP

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 3/29/19, Pipeline Safety Fee rate is \$1.00/meter billed during April-19 cycles; Eff. 4/1/19, PIT Rider rate apprvd via Settltm Agrmt, GUD 10656

**OTHER(EXPLAIN):** Eff. 2/28/2019, new Customer Chg per 2018 GRIP Filing for RGV Environs Svc Area, apprvd via GUD 10784

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
32237	Firm transportation customers in the Environs of Rio Grande Valley Service Area	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23479
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PIT-RGV-ISOS	<p>TEXAS GAS SERVICE COMPANY                      Rio Grande Valley Service Area                      RATE SCHEDULE PIT                      PIPELINE INTEGRITY TESTING (PIT) RIDER</p> <p><b>PURPOSE</b>                      The purpose of this Pipeline Integrity Testing Rider is to promote the public interest in pipeline safety by enabling the Company to recover the reasonable and necessary Pipeline Integrity Safety Testing expenses incurred by the Company during the prior year (including contractor costs but excluding the labor cost of TGS employees. These legally mandated operating and maintenance expenses shall be recovered through a separate monthly volumetric charge (the Pipeline Integrity Testing or PIT Surcharge) that shall be shown as a separate line item on the customer's monthly bill and calculated for each customer class as described below. Capital expenditures associated with the Pipeline Integrity Program shall continue to be recovered through base rates and any interim rate adjustments implemented pursuant to Texas Utilities Code Section 104.301.</p> <p><b>APPLICABILITY</b>                      This Rider shall be applied to all gas sales and transportation customers within the service territory designated below, except special contract customers.</p> <p><b>TERRITORY</b>                      This Rider shall apply throughout the Company's Rio Grande Valley Service Area (RGVSA), in the Incorporated and Unincorporated 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, the unincorporated cities of Bayview, Laguna Heights, Monte Alto, Olmito, and San Carlos and the unincorporated areas of Jim Hogg and Starr counties, Texas, the unincorporated cities of Bayview, Laguna Heights, Monte Alto, Olmito, and San Carlos and the unincorporated areas of Jim Hogg and Starr counties, Texas.</p> <p><b>QUALIFYING EXPENSES</b>                      This Rider applies only to the legally mandated safety testing of the Company's transmission lines in the RGVSA under the Pipeline Integrity Safety Testing Program. The operating and maintenance expense items that qualify for recovery under this Rider shall include the contractor costs associated with land and leak survey, permitting, and job order preparation and completion; the clearing of right-of-way; any needed notifications to adjacent businesses and residences; traffic control equipment and personnel; Direct Current Voltage Gradient (DCVG), Close Interval (CI), and other surveys to ensure the integrity of the pipeline system; any required rigid bypasses; flushing of the lines and testing and disposal of the flush water; hydrostatic testing of the lines and analysis and disposal of the test water; any required pigging of the lines in connection with safety testing; any required x-ray welding; metallurgical testing of the pipeline or components thereof; site restoration, painting, and clean-up; expenses associated with providing a supply of compressed natural gas (CNG) to ensure uninterrupted service to customers during testing; and any other operating and maintenance expenses reasonably necessary to safely and effectively perform required safety testing of the Company's pipelines in the RGVSA. In addition, unrecovered 2016 PIT expenses shall be included for recovery. Neither capital expenditures by the Company, nor the labor cost of TGS employees, shall be recovered under this Rider.</p> <p><b>CALCULATION OF PIT SURCHARGES</b>                      The Pipeline Integrity Testing Surcharges established under this Rider shall be designed so as to recover the Total Testing Expense incurred in the prior year for Pipeline Integrity Safety Testing, and shall be calculated as follows:                       The Total Annual Testing Expense shall be divided by the estimated average annual usage to produce the annual PIT Surcharge.   <math display="block">\text{PIT Surcharge} = \text{Total Annual Testing Expense} / \text{Estimated Annual Usage}</math>                     Based upon customer data for the prior calendar year and any other relevant factors, the estimated annual usage may be revised annually to account for customer growth, and the resulting revised PIT Surcharge shall be applied to each class for the ensuing 12-month recovery period.</p> <p><b>ANNUAL RECONCILIATION</b>                      After completion of each annual recovery period, the total revenues collected under this Rider for that year shall be reconciled against the revenues previously calculated to be collected for that year, and the PIT Surcharge for each class shall be adjusted upward or downward so that the Company recovers any under recoveries or refunds any over recoveries that may have accrued under the Rider, plus monthly interest on those under recoveries or over recoveries at the cost of long-term debt approved in the Company's most recent general rate case in which rates were set by the regulatory authority for application to customers in the RGVSA. The reconciliation report shall be filed with the regulatory authority on or before February 1 of each year.                       The regulatory authority shall review the reconciliation report and may request additional data supporting the reconciliation. The regulatory authority shall complete its review of the reconciliation within sixty days of each year's filing, and will authorize the succeeding PIT Surcharge after ordering any necessary adjustments based on its review of the reconciliation report so that the Company can implement the reconciled PIT Surcharges beginning with the first billing cycle for April of each succeeding year.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23479
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION****DEFERRED ACCOUNTING**

The Company is authorized and directed to defer, as a regulatory asset, all Pipeline Integrity Safety Testing expenses incurred during the testing cycle starting on January 1, 2016 and all revenues specifically collected under this Rider shall be applied to the deferred expense account. The Company shall not earn a return on any regulatory asset created under this provision, and no such regulatory asset shall be included in the Company's invested capital (rate base) for ratemaking purposes.

**ANNUAL REPORT**

On or before February 1 after each calendar year, the Company shall file a reconciliation report with the Commission and RGVSA Cities showing all Pipeline Integrity Safety Testing expenses incurred during the previous calendar year and verifying the prior year's collections and any under recoveries or over recoveries accruing to date under this Rider. The report shall separately identify and list such expenses by account number and project number, and provide a description of each project. The report will also provide revenues collected by class by month for that year. Prior to the effective date of this Rider and on or before February 1st of each succeeding year while this Rider is in effect, the Company shall also file an Addendum to this Rider with the Commission and the RGVSA Cities (a) identifying the PIT Surcharges that will be applied during the ensuing 12-month recovery period from April 1 through March 31 and (b) providing the underlying data and calculations on which each PIT Surcharge for that period is based.

**NOTICE TO AFFECTED CUSTOMERS**

In addition to the annual report and Addendum to this Rider required above, the Company shall provide, on or before March 31 after each calendar year, written notice to each affected customer of (a) the PIT Surcharge that will be applied during the ensuing 12-month period from April 1st through March 31, and (b) the effect the PIT Surcharge is expected to have on the average monthly bill for each affected customer class. The written notice shall be provided in both English and Spanish, shall be the only information contained on the piece of paper on which it is printed, and may be provided either by separate mailing or by insert included with the Company's monthly billing statements. The Company shall also file an affidavit annually with the Commission and the RGVSA Cities certifying that notice has been provided to customers in this manner. The notice shall be presumed to be complete three calendar days after the date the separate mailing or billing statement is deposited in a postage-paid, properly addressed wrapper in a post office or official depository under care of the United States Postal Service. The initial notice shall be filed with, reviewed, and approved by the regulatory authority, and each subsequent notice shall follow the same format as that of the approved initial notice.

**Initial Rate Schedule**

Meters Read On and After  
October 18, 2017 (Incorp.)  
March 27 2018 (Env.)

PSF-ALL-ISOS-PSAF

Texas Gas Service Company, a Division of ONE Gas, Inc.  
All Service Areas  
RATE SCHEDULE PSF

**PIPELINE SAFETY AND REGULATORY 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 Section 8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.

(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(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:

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23479
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(A) shall be a flat rate, one-time surcharge;</p> <p>(B) shall not be billed before the operator remits the pipeline safety and regulatory program fee to the Commission;</p> <p>(C) shall be applied in the billing cycle or cycles immediately following the date on which the operator paid the Commission;</p> <p>(D) shall not exceed \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and</p> <p>(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section101.003.</p> <p>(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:</p> <p>(A) the pipeline safety and regulatory program fee amount paid to the Commission;</p> <p>(B) the unit rate and total amount of the surcharge billed to each customer;</p> <p>(C) the date or dates on which the surcharge was billed to customers; and</p> <p>(D) the total amount collected from customers from the surcharge.</p> <p>(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 Section7.315 of this title, relating to Filing of Tariffs.</p> <p>(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.</p> <p>(c) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.</p> <p>(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program fee of \$100 per master meter system no later than June 30 of each year.</p> <p>(2) The Commission shall send an invoice to each affected natural gas master meter system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory program fee on June 30 each year.</p> <p>(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 paragraph (1) of this subsection.</p> <p>(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:</p> <p>(A) the pipeline safety and regulatory program fee amount paid to the Commission;</p> <p>(B) the unit rate and total amount of the surcharge billed to each customer;</p> <p>(C) the date or dates on which the surcharge was billed to customers; and</p> <p>(D) the total amount collected from customers from the surcharge.</p> <p>(d) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.</p> <p>Source Note: The provisions of this Section8.201 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 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947</p> <p>Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018</p> <p>Texas Gas Service Company, a Division of ONE Gas, Inc. Rio Grande Valley Service Area RATE SCHEDULE PIT-RIDER</p>

PIT-Rider-RGV-ISOS

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23479
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-ENV-RGV-OS	<p>PIPELINE INTEGRITY TESTING (PIT) SURCHARGE RIDER</p> <p><b>A. APPLICABILITY</b>                      The Pipeline Integrity Testing Surcharge (PIT) rate as set forth in Section (B) below is pursuant to Rate Schedule PIT. This rate shall apply to the following rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. in the incorporated and unincorporated areas of the Rio Grande Valley Service Area (RGVSA): 10, 20, 30, 40, T-1, 1Z, 2Z, 3Z, 4Z, and T-1-ENV.</p> <p><b>B. PIT RATE</b> \$0.06955 per Ccf This rate will be in effect until all approved and expended pipeline integrity testing expenses are recovered under the applicable rate schedules.</p> <p><b>C. OTHER ADJUSTMENTS</b> Taxes: Plus applicable taxes and fees (including franchise fees) related to above.</p> <p><b>D. CONDITIONS</b> Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Meters Read On and After April 1, 2019                      Supersedes same schedule dated April 1, 2018 (Incorporated) Initial Rate Schedule (Environs)                      Texas Gas Service Company, a Division of ONE Gas, Inc                      Rio Grande Valley Service Area                      RATE SCHEDULE T-1-ENV</p> <p style="text-align: center;"><b>TRANSPORTATION SERVICE RATE</b></p> <p><b>APPLICABILITY</b></p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The Customer must arrange with its gas supplier to have the Customer's gas delivered to one of the Company's existing receipt points for transportation by the Company to the Customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p><b>AVAILABILITY</b></p> <p>Natural gas service under this rate schedule is available to any individually metered, nonresidential customer for the transportation of customer owned natural gas through the Company's Rio Grande Valley distribution system which includes the unincorporated 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, the unincorporated cities of Bayview, Laguna Heights, Monte Alto, Olmito, and San Carlos and the unincorporated areas of Jim Hogg and Starr counties, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p> <p><b>COST OF SERVICE RATE</b></p> <p>During each monthly billing period, a customer charge per meter month listed by customer class as follows:</p> <p>Commercial \$ 400.00 per month                      Plus Interim Rate Adjustment \$6.58 (Footnote 1) Total \$406.58                      Industrial \$ 400.00 per month                      Plus Interim Rate Adjustment \$54.40 (Footnote 2) Total \$454.40                      Public Authority \$ 400.00 per month                      Plus Interim Rate Adjustment \$6.66 (Footnote 3) Total \$406.66</p> <p>Plus - All Ccf per monthly billing period listed by customer class as follows:</p> <p>Commercial The First 5000 Ccf @ \$ 0.31650 per Ccf                      All Over 5000 Ccf @ \$ 0.01777 per Ccf</p> <p>Industrial The First 5000 Ccf @ \$ 0.30336 per Ccf                      All Over 5000 Ccf @ \$ 0.03453 per Ccf                      Public Authority The First 5000 Ccf @ \$ 0.38068 per Ccf                      All Over 5000 Ccf @ \$ 0.01595 per Ccf</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23479
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p><b>ADDITIONAL CHARGES</b></p> <p>1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to the provision of TEXAS UTILITIES CODE, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.</p> <p>2) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Rio Grande Valley Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.</p> <p>3) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider RCE - ENV.</p> <p>4) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.</p> <p><b>SUBJECT TO</b></p> <p>1) Tariff T-TERMS, General Terms and Conditions for Transportation.</p> <p>2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.</p> <p>3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Footnote 1: 2017 IRA - \$6.58 (GUD No. 10784)                      Footnote 2: 2017 IRA - \$54.40 (GUD No. 10784)                      Footnote 3: 2017 IRA - \$6.66 (GUD No. 10784)</p> <p>Meters Read On and After February 28, 2019 <span style="float: right;">Supersedes Same Sheet Dated March 27, 2018</span></p> <p>T-TERMS-RGV-ISOS                      TEXAS GAS SERVICE COMPANY                      Rio Grande Valley Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff:                      Adder: Shall mean the Company's incremental cost to purchase natural gas.                      Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.                      Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.                      Commission or The Commission: The Railroad Commission of Texas.                      Company: Texas Gas Service Company, a division of ONE Gas, Inc.                      Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.                      Consumption Period: Shall mean a volumetric billing period.                      Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.                      Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.                      Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.                      Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.                      Mcf: Shall mean one thousand (1,000) cubic feet of Gas                      Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.                      Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.                      Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.                      PDA: Shall mean a predetermined allocation method.                      Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.                      Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer. Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery. Qualified Supplier: Shall mean an</p>



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23479
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Rio Grande Valley Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances. a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion. b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23479
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.

e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.

b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.

c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.

d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.

e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.

f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.

g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered. h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.

Meters Read On and After October 18, 2017 (Incorp.) March 27, 2018 (Env.) Initial Rate Schedule

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 23479**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
75389	D	Mcf	\$.0000	04/30/2007	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	32237	Firm transportation customers in the Environs of Rio Grande Valley Service Area			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23553

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 07/26/2018      **RECEIVED DATE:** 04/15/2019

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 04/10/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:** ORD RGV-IS(RC)Stlmt/OpLaw; Ord

**AMENDMENT(EXPLAIN):** Eff. 3/29/19, PSF rate is \$1/meter during April-19 cycles; Eff. 4/1/19, PIT Rider rate apprvd via Settlmt Agrmt; Eff. 4/10/19, RCE Rider is WITHDRAWN

**OTHER(EXPLAIN):** Eff. 7/26/2018, new T-1 Cust Chg per 2018 COSA for Inc. RGV service area

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
32478	Firm transportation customers in Incorporated Rio Grande Valley Service Area	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23553
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PIT-RGV-ISOS	<p>TEXAS GAS SERVICE COMPANY                      Rio Grande Valley Service Area                      RATE SCHEDULE PIT                      PIPELINE INTEGRITY TESTING (PIT) RIDER</p> <p><b>PURPOSE</b>                      The purpose of this Pipeline Integrity Testing Rider is to promote the public interest in pipeline safety by enabling the Company to recover the reasonable and necessary Pipeline Integrity Safety Testing expenses incurred by the Company during the prior year (including contractor costs but excluding the labor cost of TGS employees. These legally mandated operating and maintenance expenses shall be recovered through a separate monthly volumetric charge (the Pipeline Integrity Testing or PIT Surcharge) that shall be shown as a separate line item on the customer's monthly bill and calculated for each customer class as described below. Capital expenditures associated with the Pipeline Integrity Program shall continue to be recovered through base rates and any interim rate adjustments implemented pursuant to Texas Utilities Code Section 104.301.</p> <p><b>APPLICABILITY</b>                      This Rider shall be applied to all gas sales and transportation customers within the service territory designated below, except special contract customers.</p> <p><b>TERRITORY</b>                      This Rider shall apply throughout the Company's Rio Grande Valley Service Area (RGVSA), in the Incorporated and Unincorporated 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, the unincorporated cities of Bayview, Laguna Heights, Monte Alto, Olmito, and San Carlos and the unincorporated areas of Jim Hogg and Starr counties, Texas, the unincorporated cities of Bayview, Laguna Heights, Monte Alto, Olmito, and San Carlos and the unincorporated areas of Jim Hogg and Starr counties, Texas.</p> <p><b>QUALIFYING EXPENSES</b>                      This Rider applies only to the legally mandated safety testing of the Company's transmission lines in the RGVSA under the Pipeline Integrity Safety Testing Program. The operating and maintenance expense items that qualify for recovery under this Rider shall include the contractor costs associated with land and leak survey, permitting, and job order preparation and completion; the clearing of right-of-way; any needed notifications to adjacent businesses and residences; traffic control equipment and personnel; Direct Current Voltage Gradient (DCVG), Close Interval (CI), and other surveys to ensure the integrity of the pipeline system; any required rigid bypasses; flushing of the lines and testing and disposal of the flush water; hydrostatic testing of the lines and analysis and disposal of the test water; any required pigging of the lines in connection with safety testing; any required x-ray welding; metallurgical testing of the pipeline or components thereof; site restoration, painting, and clean-up; expenses associated with providing a supply of compressed natural gas (CNG) to ensure uninterrupted service to customers during testing; and any other operating and maintenance expenses reasonably necessary to safely and effectively perform required safety testing of the Company's pipelines in the RGVSA. In addition, unrecovered 2016 PIT expenses shall be included for recovery. Neither capital expenditures by the Company, nor the labor cost of TGS employees, shall be recovered under this Rider.</p> <p><b>CALCULATION OF PIT SURCHARGES</b>                      The Pipeline Integrity Testing Surcharges established under this Rider shall be designed so as to recover the Total Testing Expense incurred in the prior year for Pipeline Integrity Safety Testing, and shall be calculated as follows:                       The Total Annual Testing Expense shall be divided by the estimated average annual usage to produce the annual PIT Surcharge.   <math display="block">\text{PIT Surcharge} = \text{Total Annual Testing Expense} / \text{Estimated Annual Usage}</math>                     Based upon customer data for the prior calendar year and any other relevant factors, the estimated annual usage may be revised annually to account for customer growth, and the resulting revised PIT Surcharge shall be applied to each class for the ensuing 12-month recovery period.</p> <p><b>ANNUAL RECONCILIATION</b>                      After completion of each annual recovery period, the total revenues collected under this Rider for that year shall be reconciled against the revenues previously calculated to be collected for that year, and the PIT Surcharge for each class shall be adjusted upward or downward so that the Company recovers any under recoveries or refunds any over recoveries that may have accrued under the Rider, plus monthly interest on those under recoveries or over recoveries at the cost of long-term debt approved in the Company's most recent general rate case in which rates were set by the regulatory authority for application to customers in the RGVSA. The reconciliation report shall be filed with the regulatory authority on or before February 1 of each year.                       The regulatory authority shall review the reconciliation report and may request additional data supporting the reconciliation. The regulatory authority shall complete its review of the reconciliation within sixty days of each year's filing, and will authorize the succeeding PIT Surcharge after ordering any necessary adjustments based on its review of the reconciliation report so that the Company can implement the reconciled PIT Surcharges beginning with the first billing cycle for April of each succeeding year.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 23553**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PIT-Rider-RGV-ISOS	<p><b>DEFERRED ACCOUNTING</b>                      The Company is authorized and directed to defer, as a regulatory asset, all Pipeline Integrity Safety Testing expenses incurred during the testing cycle starting on January 1, 2016 and all revenues specifically collected under this Rider shall be applied to the deferred expense account. The Company shall not earn a return on any regulatory asset created under this provision, and no such regulatory asset shall be included in the Company's invested capital (rate base) for ratemaking purposes.</p> <p><b>ANNUAL REPORT</b>                      On or before February 1 after each calendar year, the Company shall file a reconciliation report with the Commission and RGVSA Cities showing all Pipeline Integrity Safety Testing expenses incurred during the previous calendar year and verifying the prior year's collections and any under recoveries or over recoveries accruing to date under this Rider. The report shall separately identify and list such expenses by account number and project number, and provide a description of each project. The report will also provide revenues collected by class by month for that year. Prior to the effective date of this Rider and on or before February 1st of each succeeding year while this Rider is in effect, the Company shall also file an Addendum to this Rider with the Commission and the RGVSA Cities (a) identifying the PIT Surcharges that will be applied during the ensuing 12-month recovery period from April 1 through March 31 and (b) providing the underlying data and calculations on which each PIT Surcharge for that period is based.</p> <p><b>NOTICE TO AFFECTED CUSTOMERS</b>                      In addition to the annual report and Addendum to this Rider required above, the Company shall provide, on or before March 31 after each calendar year, written notice to each affected customer of (a) the PIT Surcharge that will be applied during the ensuing 12-month period from April 1st through March 31, and (b) the effect the PIT Surcharge is expected to have on the average monthly bill for each affected customer class. The written notice shall be provided in both English and Spanish, shall be the only information contained on the piece of paper on which it is printed, and may be provided either by separate mailing or by insert included with the Company's monthly billing statements. The Company shall also file an affidavit annually with the Commission and the RGVSA Cities certifying that notice has been provided to customers in this manner. The notice shall be presumed to be complete three calendar days after the date the separate mailing or billing statement is deposited in a postage-paid, properly addressed wrapper in a post office or official depository under care of the United States Postal Service. The initial notice shall be filed with, reviewed, and approved by the regulatory authority, and each subsequent notice shall follow the same format as that of the approved initial notice.</p> <p>Initial Rate Schedule                      Meters Read On and After                      October 18, 2017 (Incorp.)                      March 27 2018 (Env.)                      Texas Gas Service Company, a Division of ONE Gas, Inc.                      Rio Grande Valley Service Area                      RATE SCHEDULE PIT-RIDER</p>
PSF-ALL-ISOS-PSAF	<p><b>PIPELINE INTEGRITY TESTING (PIT) SURCHARGE RIDER</b></p> <p><b>A. APPLICABILITY</b>                      The Pipeline Integrity Testing Surcharge (PIT) rate as set forth in Section (B) below is pursuant to Rate Schedule PIT. This rate shall apply to the following rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. in the incorporated and unincorporated areas of the Rio Grande Valley Service Area (RGVSA): 10, 20, 30, 40, T-1, 1Z, 2Z, 3Z, 4Z, and T-1-ENV.</p> <p><b>B. PIT RATE</b> \$0.06955 per Ccf This rate will be in effect until all approved and expended pipeline integrity testing expenses are recovered under the applicable rate schedules.</p> <p><b>C. OTHER ADJUSTMENTS</b> Taxes: Plus applicable taxes and fees (including franchise fees) related to above.</p> <p><b>D. CONDITIONS</b> Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Meters Read On and After April 1, 2019                      Supersedes same schedule dated April 1, 2018 (Incorporated) Initial Rate Schedule (Environs)                      Texas Gas Service Company, a Division of ONE Gas, Inc.                      All Service Areas                      RATE SCHEDULE PSF</p>
	<p style="text-align: center;"><b>PIPELINE SAFETY AND REGULATORY PROGRAM FEES</b></p> <p>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</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23553
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Rule Section 8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.

(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:

(A) the pipeline safety and regulatory program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(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 Section 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) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program 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 system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory 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 paragraph (1) of this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline

GAS SERVICES DIVISION

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-RGV-IS	<p>Safety Division a report showing:                      (A) the pipeline safety and regulatory program fee amount paid to the Commission;                      (B) the unit rate and total amount of the surcharge billed to each customer;                      (C) the date or dates on which the surcharge was billed to customers; and                      (D) the total amount collected from customers from the surcharge.</p> <p>(d) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.</p> <p>Source Note: The provisions of this Section 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 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947</p> <p>Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018                      Texas Gas Service, a Division of ONE Gas, Inc.                      Rio Grande Valley Service Area                      Rate Schedule T-1</p> <p style="text-align: center;"><b>TRANSPORTATION SERVICE RATE</b></p> <p><b>APPLICABILITY</b></p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through Texas Gas Service's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of Texas Gas Service's existing receipt points for transportation by Texas Gas Service to the customer's facilities at the customer's delivery point. The receipt points shall be specified by Texas Gas Service at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p><b>AVAILABILITY</b></p> <p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through Texas Gas Service's Rio Grande Valley distribution system which includes 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. Such service shall be provided at any point on Texas Gas Service's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by Texas Gas Service in its sole opinion.</p> <p><b>COST OF SERVICE RATE</b></p> <p>During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p> <p>Commercial \$ 408.31 per month                      Industrial \$ 468.74 per month                      Public Authority \$ 408.40 per month Plus -</p> <p>All Ccf per monthly billing period listed by customer class as follows:</p> <p>Commercial The First 5000 Ccf @ \$ 0.31650 per Ccf                      All Over 5000 Ccf @ \$ 0.01777 per Ccf</p> <p>Industrial The First 5000 Ccf @ \$ 0.30336 per Ccf                      All Over 5000 Ccf @ \$ 0.03453 per Ccf</p> <p>Public Authority The First 5000 Ccf @ \$ 0.38068 per Ccf                      All Over 5000 Ccf @ \$ 0.01595 per Ccf</p> <p><b>ADDITIONAL CHARGES</b></p>



GAS SERVICES DIVISION

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.</p> <p>2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.</p> <p>3) In the event Texas Gas Service incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Rio Grande Valley Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.</p> <p>4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider RCE.</p> <p>5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.</p> <p><b>SUBJECT TO</b></p> <p>1) Tariff T-TERMS, General Terms and Conditions for Transportation.</p> <p>2) Transportation of natural gas hereunder may be interrupted or curtailed at the discretion of Texas Gas Service in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to Texas Gas Service's rate schedule which would otherwise be available to such customer.</p> <p>3) Subject to all applicable laws and orders, and Texas Gas Service's rules and regulations on file with the regulatory authority.</p>
T-TERMS-RGV-ISOS	<p>Meters Read On and After July 26, 2018 <span style="float: right;">Supersedes Same Sheet Dated March 27, 2018</span></p> <p>TEXAS GAS SERVICE COMPANY                      Rio Grande Valley Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff:                      Adder: Shall mean the Company's incremental cost to purchase natural gas.                      Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.                      Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.                      Commission or The Commission: The Railroad Commission of Texas.                      Company: Texas Gas Service Company, a division of ONE Gas, Inc.                      Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.                      Consumption Period: Shall mean a volumetric billing period.                      Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.                      Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.                      Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.                      Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.                      Mcf: Shall mean one thousand (1,000) cubic feet of Gas                      Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.                      Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.                      Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.                      PDA: Shall mean a predetermined allocation method.                      Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.                      Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer. Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery. Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.                      Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Rio Grande Valley</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances. a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion. b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.</p> <p>d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.</p> <p>e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.</p> <p>1.6 IMBALANCES Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered. h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After October 18, 2017 (Incorp.) March 27, 2018 (Env.) Initial Rate Schedule</p> <p>TEXAS GAS SERVICE, a division of ONE Gas, Inc. Rio Grande Valley 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 and standard transportation rate schedules of Texas Gas Service, a division of ONE Gas, Inc. (the Company) currently in force in the incorporated areas of the Company's Rio Grande Valley Service Area (RGVSA). All rate calculations under this tariff shall be made on a RGVSA system wide basis. If, through the implementation of the provisions of this mechanism, it is determined that rates should be decreased or increased, then rates will be adjusted accordingly in the manner set forth herein. The rate adjustments implemented under this mechanism will reflect annual changes in the Company's cost of service and rate base as computed herein. This Rate Schedule 1-1 is authorized for an initial implementation period of three years commencing with the Company's filing under this rate schedule for the calendar year 2017, effective the first billing cycle of August 2018 and shall automatically renew for successive annual periods unless either the Company or the regulatory authority having original jurisdiction gives written notice to the contrary to the other by February 1, 2021, or February 1</p>

1-1-RGV-IS-COSAdj

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23553
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

of each succeeding year. Both the cities and the Company retain their statutory right to initiate a rate proceeding at any time.

**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 May 1, with the rate adjustments to be effective for meters read on or after the first billing cycle of August each year. The first filing pursuant to this Rider shall be no later than May 1, 2018, and shall be based on the financial results for the calendar year ending December 31, 2017.

**C. COMPONENTS OF THE RATE ADJUSTMENT**

Calculation of the rate adjustment will be based on operating expenses, return on investment, and Federal Income Tax. The first \$0.50 of the residential rate adjustment shall be included in the residential monthly Customer Charge of the applicable rate schedules with the excess of that amount applied to the Commodity Charge. The rate adjustment shall be included in the monthly Customer Charge of all other applicable rate schedules. The actual percentage change in total calendar year operating expenses shall not exceed five percent (5%), provided that the costs for the Company to provide public notice and reimburse City and Company rate case expenses as required herein, shall not be included in calculating the five (5%) limitation. The Company shall file with each regulatory authority having original jurisdiction over the Company's rates the schedules specified below, by FERC Account, for the prior calendar year period. The schedules will be based upon the Company's audited financial data, as adjusted, and provided in a format that will allow for the same analysis as that undertaken of a Company Statement of Intent filing, and shall include the following information:

**C.1 Operating Expenses -** Operating expenses will be those reported as part of our audited financials that are reconciled to the general ledger and assigned to the RGVSA level (either directly or allocated) in a manner consistent with the most recent RGVSA rate case. The applicable expenses are: Depreciation and Amortization Expense (Account Nos. 403-405)

\* Taxes Other Than FIT (Account No. 408)

\*\* Operation and Maintenance Expenses (Account Nos. 850-894, excluding any cost of gas related expenses) Customer Related Expenses (Account Nos. 901-916) Administrative & General Expenses (Account Nos. 920-932) Interest on Customer Deposits (Account No. 431) This information will be presented with supporting calculations.

\* Based on the last approved depreciation methods and lives.

\*\* Includes Texas Franchise Tax. Excludes City Franchise Fees, Gross Receipts, and any other revenue-based tax. All shared expenses allocated to the RGVSA must be supported by workpapers containing the allocated amount, methodology and factors. The Company shall provide additional information for all operating expenses upon request by the regulatory authority during the ninety (90) day review period specified in Section D.

**C.2 Return on Investment -** The rate of return will remain constant at the Weighted Cost of Capital authorized in the most recent RGVSA rate case. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year.

The rate base balance is composed of: Net Utility Plant in Service at year-end

\* RRC 8.209 Regulatory Asset Balance Plus:

Other Rate Base Items: Materials and Supplies Inventories -13-month average Prepayments (including Prepaid Pension) - 13-month average Cash Working Capital - shall be calculated using the lead/lag days from the most recent RGVSA rate case Less: Customer Deposits (Account No. 235) at year-end Customer Advances (Account No. 252) at year-end Deferred Federal Income Taxes at year-end, adjusted to reflect the federal income tax rate in C.3.

\* Net Utility Plant in Service as shown by FERC account. Gross utility plant in service and accumulated depreciation by account will be shown separately Supporting information for all rate base items shall be provided to the regulatory authority during the ninety (90) day review period specified in Section D upon request by the regulatory authority.

**C.3 Federal Income Tax** Applicable calendar year federal income taxes will be calculated as follows: Net Taxable Income (applicable calendar-year end rate base multiplied by rate of return from the most recent RGVSA rate case included in Section C.2.)

Less: Interest on Long Term Debt (applicable calendar-year end rate base multiplied by debt cost component of return from the most recent RGVSA rate case) Multiplied by: Tax Factor (.21 / (1-.21)) or .265823. The Tax Factor will be calculated using the federal income tax rate(s) in effect during the period revenues from the COSA will be collected, including newly enacted federal tax rates to the extent such new rates are known at the time of the annual filing.

**C.4 Cost of Service Adjustment -** The amount to be collected through the Cost of Service Adjustment will be the sum of the amounts from Sections C.1, C.2, and C.3 that total to the revenue requirement, less the calendar year actual non-gas revenue and other revenue (i.e., transportation revenue and service charges), adjusted for the revised Texas Franchise Tax described in Chapter 171 of the Texas Tax Code. The formula to calculate the Cost of Service Adjustment is: [(C.1 Operating Expenses + C.2 Return on Investment + C.3 Federal Income Tax - Actual Non-Gas and Other Revenues)] divided by (1 - Texas Franchise Tax statutory rate)

**C.5 Cost of Service Adjustment Rate and Cost of Service Adjustment Volumetric Rate** The Cost of Service Adjustment as calculated in Section C.4 will be allocated among the customer classes in the same manner as the cost of service was allocated among classes of customers in the Company's latest effective rates for the RGVSA. The cost of service adjustment for each customer class will then be

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23553
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>converted into a per-customer per-month amount to produce the Cost of Service Adjustment Rate. The per customer adjustment will be the Cost of Service Adjustment as allocated to that class, divided by the average number of gas sales customers in each class for the RGVSA. The Cost of Service Adjustment Rate will be this per customer adjustment amount divided by 12 to produce a monthly adjustment amount, either an increase or decrease, which will be included in the gas sales and standard transportation customer charges. For the residential class only, the Cost of Service Adjustment rate will be limited to \$0.50 in any one year, and the remaining portion of the Cost of Service Adjustment allocated to the residential class will be recovered through a Cost of Service Adjustment Volumetric Rate, which will be calculated by dividing the remaining portion to be recovered from residential customers by annual, weather-normalized residential volumes.</p> <p>C.6 Attestation A sworn statement shall be filed by the Company's Director of Rates, 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.</p> <p>C.7 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.</p> <p>C.8 Notice Notice of the annual Cost of Service Adjustment shall be provided in a form similar to that required under Section 104.103, TEX. UTIL. CODE ANN not later than the 60th day after the date the utility files the COSA with the regulatory authority. The notice to customers shall include the following information:</p> <ul style="list-style-type: none"> <li>a) a description of the proposed revision of rates and schedules;</li> <li>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;</li> <li>c) the service area or areas in which the proposed rate adjustment would apply;</li> <li>d) the date the proposed rate adjustment was filed with the regulatory authority; and</li> <li>e) the Company's address, telephone number, and website where information concerning the proposed cost of service adjustment may be obtained.</li> </ul> <p>D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT                      The regulatory authority with original jurisdiction will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment. During the review period, Company shall provide additional information and supporting documents as requested by the regulatory authority and such information shall be provided within ten (10) working days of the original request. The rate adjustment shall take effect for meters read on or after the first billing cycle of August each year.</p> <p>This Cost of Service Adjustment Rate Schedule does not limit the legal rights and duties of the regulatory authority. The Company's annual rate adjustment will be made in accordance with all applicable laws. If at the end of the ninety (90) day review period, the Company and the regulatory authority with original jurisdiction have not reached an agreement on the proposed Cost of Service Adjustment Rate, the regulatory authority may take action to deny such adjustment or approve a different adjustment. If at the end of the ninety (90) day review period, the regulatory authority takes no action, the proposed Cost of Service Adjustment Rate will be deemed approved.</p> <p>The Company shall have the right to appeal any action by the regulatory authority to the Railroad Commission of Texas not later than the 30th day after the date of the final decision by the regulatory authority.</p> <p>Upon the filing of any appeal, the Company shall have the right to implement its Cost of Service Adjustment Rate, subject to refund. To defray the cost, if any, of regulatory authorities conducting a review of Company's annual rate adjustment, Company shall reimburse the regulatory authorities for their reasonable expenses for such review. Any reimbursement contemplated hereunder shall be deemed a reasonable and necessary operating expense of the Company in the year in which the reimbursement is made.</p> <p>A regulatory authority seeking reimbursement under this provision shall submit its request for reimbursement to the Company following the final approval of the COSA but no later than October 1 of the year in which the adjustment is made. The Company shall reimburse the regulatory authorities in accordance with this provision no later than thirty (30) days of receiving the request for reimbursement.</p> <p>Initial Rate Schedule Meters Read On and After April 16, 2018                      TEXAS GAS SERVICE COMPANY                      Rio Grande Valley Service Area                      RATE SCHEDULE ORD-RGV</p> <p>CITY ORDINANCE LISTING</p>

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## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23553
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

## 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 the TGS Statement of Intent filed 6/15/2017, the following cities approved new rates for gas sales and transportation service customers in the incorporated Rio Grande Valley service area via ordinances listed below or operation of law. These rates were approved per the Settlement agreement dated September 28, 2017.

City approvals are as follows:

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

Alamo 25-10-17 10/24/2017 10/18/2017  
 Alton 2017-15-1010 10/10/2017 10/18/2017  
 Brownsville 2017-1632 10/17/2017 10/18/2017  
 Combes 2017-5 10/30/2017 10/18/2017  
 Donna Operation of Law 10/17/2017 10/18/2017  
 Edcouch 2017-05 10/10/2017 10/18/2017  
 Edinburg 2017-4162 10/16/2017 10/18/2017  
 Elsa 2018-01 10/16/2017 10/18/2017  
 Harlingen 2017-38 11/1/2017 10/18/2017  
 Hidalgo 2017-10 10/9/2017 10/18/2017  
 La Feria 2017-15 11/15/2017 10/18/2017  
 La Joya 2017-12 10/10/2017 10/18/2017  
 La Villa Operation of Law 10/17/2017 10/18/2017  
 Laguna Vista 2017-29 11/14/2017 10/18/2017  
 Los Fresnos 488 10/10/2017 10/18/2017  
 Lyford 17-10-10 10/10/2017 10/18/2017  
 McAllen 2017-62 10/10/2017 10/18/2017  
 Mercedes 2017-15 11/6/2017 10/18/2017  
 Mission 4566 10/9/2017 10/18/2017  
 Palm Valley 2017-11 11/13/2017 10/18/2017  
 Palmhurst 10-25-17 10/25/2017 10/18/2017  
 Palmview Operation of Law 10/17/2017 10/18/2017  
 Penitas 2017-08 10/24/2017 10/18/2017  
 Pharr O-2017-47 10/16/2017 10/18/2017  
 Port Isabel 10-24-2017 10/24/2017 10/18/2017  
 Primera 2017-05 10/17/2017 10/18/2017  
 Progreso Operation of Law 10/17/2017 10/18/2017  
 Rancho Viejo 226 10/10/2017 10/18/2017  
 Raymondville 1218 10/10/2017 10/18/2017  
 Rio Hondo Operation of Law 10/17/2017 10/18/2017  
 San Benito 2545 10/17/2017 10/18/2017  
 San Juan Operation of Law 10/17/2017 10/18/2017  
 Santa Rosa Operation of Law 10/17/2017 10/18/2017  
 Weslaco 2017-50 10/17/2017 10/18/2017

Meters Read On and After October 18, 2017

Supersedes Same Sheet Dated September 1, 2009

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 23553**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
76827	D	Mcf	\$.0000	09/01/2009	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	32478	Firm transportation customers in Incorporated Rio Grande Valley Service Area			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23565

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 12/01/2010      **RECEIVED DATE:** 12/20/2018

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 12/01/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Rates updated per 2018 Cost of Service Adjustment filing effective 12/01/2018

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
32499	**CONFIDENTIAL**	Y	



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23565
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
CT-T-30-IS-XAJ	<p>CT-T-30-IS-XAJ                      RATE COMPONENTS                      Monthly Cost of Service: \$0.3262 per Mcf;                      effective December 1, 2018, and each December 1st thereafter during the term of this Agreement, Company shall have the right to adjust the cost of service charge with thirty (30) days advance notice to Shipper, not to exceed 5%. (Per 12/01/2018 COS Adjustment Filing) Monthly Meter Charge: \$1,500.00                      Additional Charges:                      1) a charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code; Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.                      2) a charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.                      3) in the event the company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the Central Texas Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer. Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad commission of Texas as amended from time to time shall apply to this Agreement.</p>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY                      Central Texas Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p><b>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE</b>                      Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p><b>1.2 DEFINITIONS</b>                      The following definitions shall apply to the indicated words as used in this Tariff:                      Adder: Shall mean the Company's incremental cost to purchase natural gas.                      Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.                      Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.                      Commission or The Commission: The Railroad Commission of Texas.                      Company: Texas Gas Service Company, a division of ONE Gas, Inc.                      Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.                      Consumption Period: Shall mean a volumetric billing period.                      Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.                      Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.                      Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.                      Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.                      Mcf: Shall mean one thousand (1,000) cubic feet of Gas                      Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.                      Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.                      Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.                      PDA: Shall mean a predetermined allocation method.                      Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.                      Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.                      Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.                      Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.                      Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable.                      Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.                      Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.                      Transportation Form: Shall mean the Company approved selection of transportation service document.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23565
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.

e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23565
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>1.6 IMBALANCES</p> <p>Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)</p> <p>January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)</p> <p>November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:                      CTX Incorp January 27, 2014 (T-GTC)</p> <p>CTX Environs January 2, 2003 (T-GEN-ENV)</p> <p>STX Environs January 27, 2014 (T-GTC)</p> <p>Dripping Springs Environs January 31, 2006 (T-GEN)</p> <p>Kyle/Buda Environs April 30, 2008 (T-GEN)</p> <p>STX Incorp January 27, 2014 (T-GTC)</p> <p>STX Environs January 27, 2014 (T-GTC)</p>

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
76856	D	Mcf	\$.3107	12/01/2017	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	32499	**CONFIDENTIAL**			

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 23565**

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25535

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 02/01/2010      **RECEIVED DATE:** 07/20/2018

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 07/01/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Eff. 7/1/2018, change to delivery pts. current rate info per 2018 COSA

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34137	**CONFIDENTIAL**	Y	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25535
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
CT-T-31-OS-XAF	<p>CT-T-31-OS-XAF</p> <p>RATE COMPONENTS</p> <p>4.1 Subject to the other provisions of this Agreement, beginning on the date deliveries of gas commence hereunder, Shipper shall pay to Transporter each month, for each Mcf of gas redelivered by Transporter to Shipper at the above-described Point(s) of Redelivery during the preceding month, the sum of the following transportation fees and compression and treating costs:</p> <p>(a) During each monthly billing a customer charge per meter per month of \$80.00; plus</p> <p>(b) A cost of service rate for use of Transporter's facilities and all other services provided directly by Transporter for all volumes redelivered to Shipper: All volumes redelivered each contract year @ \$0.8781 per Mcf; plus</p> <p>(c) All amounts for any taxes (including, but not limited to Article 6060 Tax) fees; plus</p> <p>(d) Any third party demand charges, transport or service fees paid by Transporter on behalf of Shipper associated with the transportation of gas hereunder; plus</p> <p>(e) To the extent Shipper requires special handling of the gas transported hereunder, all cost (including, but not limited to, a rate of return and compensation of overhead, administration and depreciation) for compression, treating or similar services provided by Transporter.</p> <p>(f) In addition to the other sums payable to Transporter under this Agreement, Shipper agrees to pay Transporter the full amount of any additional, new or increased taxes, fees, street rentals, license fees, franchise taxes or fees or charges of every kind and character contracted, levied or assessed by any federal, state, municipal or other governmental authority against Transporter in connection with or attributable to the transportation, delivery, redelivery, use or other handling of the gas transported on behalf of Shipper, unless Shipper has furnished Transporter satisfactory certificates showing that Shipper is exempt from the applicable taxes, fees or charges. Subject to any necessary regulatory approvals, Shipper agrees to pay this additional tax, fee or charge whether asserted on a retroactive basis or whether applied on a going forward basis.</p> <p>(g) At no time shall the rate charged to the Shipper by the Transporter exceed the Transporter's rate as published in its tariff and approved by the Texas Railroad Commission.</p> <p>4.2 The cost of service rate specified in 4.1 (b) above shall remain in effect until June 30, 2013. Effective July 1, 2013, and each July 1st thereafter during the term of this Agreement, Transporter shall have the right to adjust the cost of service rate with 30 days notice. The cost of service rate shall increase in direct proportion to the increase in the Transporter's cost of service expenses in the applicable service area for the preceding calendar year.</p> <p>4.3 During the term of this agreement the annual measured usage at the point of redelivery to the Shipper shall be no lower than 51,000 Mcf. Should Shipper's actual measured annual usage fall below the required measured volume (51,000 Mcf), Shipper shall be billed a fee calculated by multiplying the difference of the required volume (51,000 Mcf) and the previous 12 month actual measured volume by the rates defined in the Article IV of this agreement. The fee shall be calculated annually for the calendar year. All other provisions of the applicable Transportation Rate Schedule as amended from time to time shall continue to apply. If any increased taxes or fees on Transporter's services are levied by any regulatory or legislative body, Transporter shall have the right to specify a different cost of service rate by providing thirty (30) days notice of such charge to Shipper. Shipper will then have sixty (60) days to accept such rate or terminate this Agreement. Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad commission of Texas as amended from time to time shall apply to this Agreement.</p>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY</p> <p>Central Texas Service Area</p> <p>RATE SCHEDULE T-TERMS</p> <p>GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE</p> <p>Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS</p> <p>The following definitions shall apply to the indicated words as used in this Tariff:</p> <p>Adder: Shall mean the Company's incremental cost to purchase natural gas.</p> <p>Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.</p> <p>Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc.</p> <p>Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25535
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of

Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25535
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION****1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.
- e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.
- f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.
- g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.
- h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.

**Meters Read On and After:**

October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)

January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)

November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)

**Supersedes Rate Schedules Dated:**

CTX Incomp January 27, 2014 (T-GTC)



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 25535**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	CTX Environs January 2, 2003 (T-GEN-ENV)
	STX Environs January 27, 2014 (T-GTC)
	Dripping Springs Environs January 31, 2006 (T-GEN)
	Kyle/Buda Environs April 30, 2008 (T-GEN)
	STX Incorp January 27, 2014 (T-GTC)
	STX Environs January 27, 2014 (T-GTC)

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
92885	D	Mcf	\$.8781	07/01/2018	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	34137	<b>**CONFIDENTIAL**</b>			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.  
 NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 27453

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 12/01/2013      **RECEIVED DATE:** 11/10/2017

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 11/09/2017

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Rate component language updated to reflect contract language and remove customer's name from record, eff. 11/9/2017

**OTHER(EXPLAIN):** Rate updated per 2017 COSA filing

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
35311	**CONFIDENTIAL**	Y	

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
MW-T-3-MinW-IS-X	MW-T-3-MinW-IS-XN8 RATE COMPONENTS (a) A customer charge of \$1,000.00 per month per meter for each Point of Redelivery; plus (b) A cost of service charge for the use of Transporter's facilities and all other services provided directly by Transporter which shall be at the following rates: First      8,000 Mcf @ \$0.637 per Mcf Next      8,000 Mcf @ \$0.424 per Mcf All Over      16,000 Mcf @ \$0.212 per Mcf for all volumes redelivered to Customer each Month;

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 27453**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37571	D	steppd	\$.0000	07/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	35311	<b>**CONFIDENTIAL**</b>			
37572	D	steppd	\$.0000	07/01/2017	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	35311	<b>**CONFIDENTIAL**</b>			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 27454

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 03/01/2007      **RECEIVED DATE:** 08/01/2018

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 06/26/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 6/26/2018, new T-1 Cust Chg per 2018 GRIP for Inc. and Env. Central Texas service area

**OTHER(EXPLAIN):** Cust Chg in T-1-CTX-IS applicable

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
37588	**CONFIDENTIAL**	Y	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27454
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY                      Central Texas Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE                      Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS                      The following definitions shall apply to the indicated words as used in this Tariff:                      Adder: Shall mean the Company's incremental cost to purchase natural gas.                      Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.                      Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.                      Commission or The Commission: The Railroad Commission of Texas.                      Company: Texas Gas Service Company, a division of ONE Gas, Inc.                      Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative                      Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.                      Consumption Period: Shall mean a volumetric billing period.                      Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.                      Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.                      Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.                      Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.                      Mcf: Shall mean one thousand (1,000) cubic feet of Gas                      Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. (central clock time) on the first Day of the next succeeding calendar month.                      Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.                      Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.                      PDA: Shall mean a predetermined allocation method.                      Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.                      Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.                      Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.                      Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.                      Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable.                      Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.                      Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.                      Transportation Form: Shall mean the Company approved selection of transportation service document.                      Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.                      Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.                      Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.                      Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.</p> <p>1.3 COMPANY'S RESPONSIBILITY                      Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).                      a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27454
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27454
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
CT-T-32-IS-XA5	<p>Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)                       January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)                       November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:                      CTX Incorp January 27, 2014 (T-GTC)                       CTX Environs January 2, 2003 (T-GEN-ENV)                       STX Environs January 27, 2014 (T-GTC)                       Dripping Springs Environs January 31, 2006 (T-GEN)                       Kyle/Buda Environs April 30, 2008 (T-GEN)                       STX Incorp January 27, 2014 (T-GTC)                       STX Environs January 27, 2014 (T-GTC)</p> <p>CT-T-32-IS-XA5                      RATE COMPONENTS                      Cost of Service Rate for All volumes redelivered:                      Jan. 1 - Dec. 31, 2017 \$0.4500/Mcf                      Jan. 1 - Dec. 31, 2018 \$0.6000/Mcf                      Jan. 1 - Dec. 31, 2019 \$0.7500/Mcf</p> <p>Cost of Service Rate Adjustment:                      Effective July 1, 2020 and each subsequent                      July consumption period thereafter during the term of this Agreement, Company may adjust the cost of service charge with thirty (30) days written notice to Customer. The Cost of Service Rate shall increase in direct proportion to the increase in the Company's year over year operating expenses. The amounts to be included in the annual calculation of operating expenses shall include: Transmission Expenses (excluding FERG Act 858 - Transmission and Compression of Gas by Others), Distribution Expenses, Customer Accounts Expenses, Customer Service and Informational Expenses, Sales Expenses, Administrative and General Expenses and Taxes Other Than Income Taxes as reported in the Gas Utilities Distribution Annual Report to the Railroad Commission of Texas. Adjustments to the Cost of Service Rate shall be limited to not less than the then current Cost of Service Rate and not more than 5% of the then current Cost of Service Rate.</p> <p>Customer Charge: During each monthly billing a customer charge per Rate Schedule T-1; plus Additional Charges:</p> <ol style="list-style-type: none"> <li>1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code; Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.</li> <li>2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.</li> <li>3) In the event the company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the Central Texas Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.</li> </ol>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27454
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

T-1-CTX-IS

4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE).

5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad commission of Texas as amended from time to time shall apply to this Agreement.

TEXAS GAS SERVICE COMPANY  
Central Texas Service Area  
RATE SCHEDULE T-1

## TRANSPORTATION SERVICE RATE

## APPLICABILITY

Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.

## AVAILABILITY

Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's Central Texas distribution system which includes the incorporated areas of Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.

## COST OF SERVICE RATE

During each monthly billing period, a customer charge per meter per month listed by customer class as follows:

Commercial \$ 250.00 per month  
plus Interim Rate Adjustments \$8.92 (Footnote 1) Total Rate \$258.92

Industrial \$ 350.00 per month  
plus Interim Rate Adjustments \$103.62 (Footnote 2) Total Rate \$453.62

Public Authority \$ 70.00 per month  
plus Interim Rate Adjustments \$21.49 (Footnote 3) Total Rate \$91.49

Public Schools Space Heat \$ 200.00 per month  
plus Interim Rate Adjustments \$21.49 (Footnote 4) Total Rate \$221.49

Compressed Natural Gas \$ 75.00 per month  
plus Interim Rate Adjustments \$99.23 (Footnote 5) Total Rate \$174.23

Electrical Cogeneration \$ 70.00 per month  
plus Interim Rate Adjustments \$21.49 (Footnote 6) Total Rate \$91.49

Plus - All Ccf per monthly billing period listed by customer class as follows:

Commercial - \$0.11614 per Ccf (Footnote 7)  
Industrial - \$0.10273 per Ccf (Footnote 8)  
Public Authority - \$0.11541 per Ccf (Footnote 9)  
Public Schools Space Heat - \$0.10012 per Ccf (Footnote 10)  
Compressed Natural Gas - \$0.06684 per Ccf (Footnote 11)

Electrical Cogeneration -  
For the First 5,000Ccf/month \$0.07720 per Ccf (Footnote 12)  
For the Next 35,000 Ccf/month \$0.06850 per Ccf (Footnote 13)  
For the Next 60,000 Ccf/month \$0.05524 per Ccf (Footnote 14)  
All Over 100,000 Ccf/month \$0.04016 per Ccf (Footnote 15)



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27454
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	ADDITIONAL CHARGES:
	1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
	2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.
	3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the Central Texas Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.
	4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE).
	5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.
	SUBJECT TO
	1) Tariff T-TERMS, General Terms and Conditions for Transportation
	2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Footnote 1: 2016 IRA - \$5.79 revised to \$5.17 (GUD No. 10714); 2017 IRA - \$3.75
	Footnote 2: 2016 IRA - \$65.77 revised to \$58.71 (GUD No. 10714); 2017 IRA - \$44.91
	Footnote 3: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 4: 2016 IRA - \$13.96; revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 5: 2016 IRA - \$60.25 revised to \$53.78 (GUD No. 10714); 2017 - \$45.45
	Footnote 6: 2016 IRA - \$13.96 revised to \$12.46 (GUD No. 10714); 2017 IRA - \$9.03
	Footnote 7: \$0.13174 (GUD No. 10526) revised to \$0.11614 (GUD No. 10714)
	Footnote 8: \$0.11186 (GUD No. 10526) revised to \$0.10273 (GUD No. 10714)
	Footnote 9: \$0.12529 (GUD No. 10526) revised to \$0.11541 (GUD No. 10714)
	Footnote 10: \$0.11000 (GUD No. 10526) revised to \$0.10012 (GUD No. 10714)
	Footnote 11: \$0.07148 (GUD No. 10526) revised to \$0.06684 (GUD No. 10714)
	Footnote 12: \$0.08708 (GUD No. 10526) revised to \$0.07720 (GUD No. 10714)
	Footnote 13: \$0.07838 (GUD No. 10526) revised to \$0.06850 (GUD No. 10714)
	Footnote 14: \$0.06512 (GUD No. 10526) revised to \$0.05524 (GUD No. 10714)
	Footnote 15: \$0.05004 (GUD No. 10526) revised to \$0.04016 (GUD No. 10714)
	Supersedes Rate Schedule Dated June 16, 2017
	Meters Read On and After June 26, 2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
37821	D	Mcf	\$ .6000	01/01/2018	Y
<b>DESCRIPTION: **CONFIDENTIAL**</b>					
<b>Customer</b>	37588	<b>**CONFIDENTIAL**</b>			

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 27454**

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 28875

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 07/26/2018      **RECEIVED DATE:** 04/15/2019

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 03/29/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N      **RRC DOCKET NO:** 10527

**CITY ORDINANCE NO:** StlmtAgrmtOrdsOpLaw

**AMENDMENT(EXPLAIN):** Eff. 3/29/19, Rate Sched PSF-All-ISOS-PipeFee(Pipeline Safety and Reg. Program) rate is \$1.00/meter to be billed during April-19 billing cycles.

**OTHER(EXPLAIN):** Eff. 7/26/2018, new Cust Chg per 2018 COSA and Voluntary Rate Reduction for Inc. Gulf Coast, apprvd via Ord, OpLaw

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
36693	Firm transportation customers in Incorporated areas of GULF COAST SVC AREA	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 28875
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-GulfCst-IS	<p>Texas Gas Service, a Division of ONE Gas, Inc.                      RATE SCHEDULE T-1                      Gulf Coast Service Area</p> <p><b>TRANSPORTATION SERVICE RATE</b></p> <p>Applicability</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system. Availability Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's Gulf Coast Service Area distribution system which includes the incorporated areas of Galveston, Bayou Vista, Jamaica Beach, Port Arthur, Port Neches, Groves and Nederland, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion. Cost of Service Rate During each monthly billing period, a customer charge per meter per month listed by customer class as follows:                      Commercial \$295.49 per month                      Industrial \$217.42 per month                      Public Authority \$302.36 per month Plus -</p> <p>All Ccf per monthly billing period listed by customer class as follows:                      Commercial The First 250 Ccf@ \$ 0.22140 per Ccf                                        All Over 250 Ccf @ \$ 0.19380 per Ccf</p> <p>Industrial The First 250 Ccf@ \$ 0.40060 per Ccf                                        All Over 250 Ccf @ \$ 0.37480 per Ccf</p> <p>Public Authority The First 250 Ccf@ \$ 0.15672 per Ccf                                        All Over 250 Ccf @ \$ 0.13092 per Ccf</p> <p>Additional Charges:                      1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.                      2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.                      3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the Gulf Coast Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.                      4) Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.</p> <p>Subject To                      1) Tariff T-TERMS, General Terms and Conditions for Transportation                      2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.                      3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Meters Read On and After July 26, 2018 <span style="float:right">Supersedes Same Rate Schedule dated July 27, 2017</span></p> <p>T-TERMS-GulfCst-ISO TEXAS GAS SERVICE COMPANY                      Gulf Coast Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS                      FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE                      Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff:</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

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Adder: Shall mean the Company's incremental cost to purchase natural gas.

Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.

Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.

Commission or The Commission: The Railroad Commission of Texas.

Company: Texas Gas Service Company, a division of ONE Gas, Inc.

Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.

Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

Consumption Period: Shall mean a volumetric billing period.

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.

Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Gulf Coast Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural

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gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY:**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

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	<p>c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.</p> <p>d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.</p> <p>e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.</p> <p>1.6 IMBALANCES: Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p>
1-1-GulfCst-IS-COSA	<p>Meters Read On and After May 9, 2016 Supersedes Rate Schedules T-GTC SJC Incorpor. dated January 27, 2014 T-GEN SJC Environs dated April 1, 2013</p> <p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE 1-1 Gulf Coast Service Area COST OF SERVICE ADJUSTMENT CLAUSE A. APPLICABILITY This Cost of Service Adjustment Clause applies to all gas sales and standard transportation rate schedules of Texas Gas Service Company (the Company) currently in force in the incorporated areas of the Company's Gulf Coast Service Area. All rate calculations under this tariff shall be made on a Gulf Coast Service Area system wide basis. If, through the implementation of the provisions of this</p>

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mechanism, it is determined that rates should be decreased or increased, then rates will be adjusted accordingly in the manner set forth herein. The rate adjustments implemented under this mechanism will reflect annual changes in the Company's cost of service and rate base as computed herein.

This Rate Schedule 1-1 is authorized for an initial implementation period of one year commencing with the Company's filing under this rate schedule for the calendar year 2016, effective the first billing cycle of August 2017 and shall automatically renew for successive annual periods unless either the Company or the regulatory authority having original jurisdiction gives written notice to the contrary to the other by February 1, 2018, or February 1 of each succeeding year. Both the cities and the Company retain their statutory right to initiate a rate proceeding at any time.

**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 May 1, with the rate adjustments to be effective for meters read on or after the first billing cycle of August each year. The first filing pursuant to this Rider shall be no later than May 1, 2017, and shall be based on the financial results for the calendar year ending December 31, 2016.

**C. COMPONENTS OF THE RATE ADJUSTMENT**

Calculation of the rate adjustment will be based on operating expenses, return on investment, and Federal Income Tax. The rate adjustment shall be included in the monthly Customer Charge of the applicable gas sales and standard transportation rate schedules. The actual percentage change in total calendar year operating expenses shall not exceed four percent (4%), provided that the costs for the Company to provide public notice and reimburse City and Company rate case expenses as required herein, shall not be included in calculating the (4%) limitation. The Company shall file with each regulatory authority having original jurisdiction over the Company's rates the schedules specified below, by FERC Account, for the prior calendar year period. The schedules will be based upon the Company's audited financial data, as adjusted, and provided in a format that will allow for the same analysis as that undertaken of a Company Statement of Intent filing, and shall include the following information:

**C.1 Operating Expenses** - Operating expenses will be those reported as part of our audited financials that are reconciled to the general ledger and assigned to the Gulf Coast service area level (either directly or allocated) in a manner consistent with the most recent Gulf Coast service area rate case.

The applicable expenses are:

Depreciation and Amortization Expense (Account Nos. 403-405) \*  
 Taxes Other Than FIT (Account No. 408) \*\*  
 Operation and Maintenance Expenses (Account Nos. 850-894, excluding any cost of gas related expenses)  
 Customer Related Expenses (Account Nos. 901-916)  
 Administrative & General Expenses (Account Nos. 920-932)  
 Interest on Customer Deposits (Account No. 431)

This information will be presented with supporting calculations.

\* Based on the last approved depreciation methods and lives.

\*\* Includes Texas Franchise Tax. Excludes City Franchise Fees, Gross Receipts, and any other revenue-based tax. All shared expenses allocated to the Service Area must be supported by workpapers containing the allocated amount, methodology and factors. The Company shall provide additional information for all operating expenses upon request by the regulatory authority during the ninety (90) day review period specified in Section D.

**C.2 Return on Investment** - The rate of return will remain constant at the Weighted Cost of Capital authorized in the most recent Gulf Coast Service Area rate case.

The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year.

The rate base balance is composed of: Net Utility Plant in Service at year-end \* Plus:

Other Rate Base Items: Materials and Supplies Inventories -13-month average Prepayments - 13-month average Cash Working Capital - shall be set to zero (\$0) absent a reliable lead/lag study Less: Customer Deposits (Account No. 235) at year-end Customer Advances (Account No. 252) at year-end Deferred Federal Income Taxes at year-end, adjusted to reflect the federal income tax rate in C.3.

\* Net Utility Plant in Service as shown by FERC account. Gross utility plant in service and accumulated depreciation by account will be shown separately Supporting information for all rate base items shall be provided to the regulatory authority during the ninety (90) day review period specified in Section D upon request by the regulatory authority.

**C.3 Federal Income Tax** Applicable calendar year federal income taxes will be calculated as follows: Net Taxable Income (applicable calendar-year end rate base multiplied by rate of return from the most recent Gulf Coast Service Area rate case included in Section C.2.)



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Less: Interest on Long Term Debt (applicable calendar-year end rate base multiplied by debt cost component of return from the most recent Gulf Coast Service Area rate case) Multiplied by: Tax Factor (.35 / (1-.35)) or .53846. The Tax Factor will be calculated using the federal income tax rate(s) in effect during the period revenues from the COSA will be collected, including newly enacted federal tax rates to the extent such new rates are known at the time of the annual filing.

C.4 Cost of Service Adjustment - The amount to be collected through the Cost of Service Adjustment will be the sum of the amounts from Sections C.1, C.2, and C.3 that total to the revenue requirement, less the calendar year actual non-gas revenue and other revenue (i.e., transportation revenue and service charges), adjusted for the revised Texas Franchise Tax described in Chapter 171 of the Texas Tax Code.

The formula to calculate the Cost of Service Adjustment is: [(C.1 Operating Expenses + C.2 Return on Investment + C.3 Federal Income Tax - Actual non-Gas and Other Revenues)] divided by (1 - Texas Franchise Tax statutory rate)

C.5 Cost of Service Adjustment Rate The Cost of Service Adjustment as calculated in Section C.4 will be allocated among the customer classes in the same manner as the cost of service was allocated among classes of customers in the Company's latest effective rates for the Gulf Coast Service Area. The cost of service adjustment for each customer class will then be converted into a per-customer per-month amount to produce the Cost of Service Adjustment Rate. The per customer adjustment will be the Cost of Service Adjustment as allocated to that class, divided by the average number of gas sales customers in each class for the Gulf Coast Service Area. The Cost of Service Adjustment Rate will be this per customer adjustment amount divided by 12 to produce a monthly adjustment amount, either an increase or decrease, which will be included in the gas sales and standard transportation customer charges.

C.6 Attestation A sworn statement shall be filed by the Company's Director of Rates, 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.

C.7 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.

C.8 Notice Notice of the annual Cost of Service Adjustment shall be provided in a form similar to that required under Section 104.103, TEX. UTIL. CODE ANN not later than the 60th day after the date the utility files the COSA 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 regulatory authority with original jurisdiction will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment. During the review period, Company shall provide additional information and supporting documents as requested by the regulatory authority and such information shall be provided within ten (10) working days of the original request. The rate adjustment shall take effect for meters read on or after the first billing cycle of August each year. This Cost of Service Adjustment Rate Schedule does not limit the legal rights and duties of the regulatory authority. The Company's annual rate adjustment will be made in accordance with all applicable laws. If at the end of the ninety (90) day review period, the Company and the regulatory authority with original jurisdiction have not reached an agreement on the proposed Cost of Service Adjustment Rate, the regulatory authority may take action to deny such adjustment or approve a different adjustment. If at the end of the ninety (90) day review period, the regulatory authority takes no action, the proposed Cost of Service Adjustment Rate will be deemed approved.

The Company shall have the right to appeal any action by the regulatory authority to the Railroad Commission of Texas not later than the 30th day after the date of the final decision by the regulatory authority. Upon the filing of any appeal, the Company shall have the right to implement its Cost of Service Adjustment Rate, subject to refund.

To defray the cost, if any, of regulatory authorities conducting a review of Company's annual rate adjustment, Company shall reimburse the regulatory authorities for their reasonable expenses for such review. Any reimbursement contemplated hereunder shall be deemed a reasonable and necessary operating expense of the Company in the year in which the reimbursement is made.

A regulatory authority seeking reimbursement under this provision shall submit its request for reimbursement to the Company following the final approval of the COSA but no later than October 1 of the year in which the adjustment is made. The Company shall reimburse the regulatory authorities in accordance with this provision no later than thirty (30) days of receiving the request for reimbursement.

Initial Rate Schedule Meters Read On and After April 14, 2017

Texas Gas Service Company, a Division of ONE Gas, Inc.

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
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PSF-ALL-ISOS-PSAF	All Service Areas RATE SCHEDULE PSF
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## PIPELINE SAFETY AND REGULATORY 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 Section 8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.

(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:

(A) the pipeline safety and regulatory program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(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 Section 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) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program fee of \$100 per master meter system no later than June 30 of each year.

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**TARIFF CODE: DT**                      **RRC TARIFF NO: 28875**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(2) The Commission shall send an invoice to each affected natural gas master meter system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory program fee on June 30 each year.</p> <p>(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 paragraph (1) of this subsection.</p> <p>(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:                      (A) the pipeline safety and regulatory program fee amount paid to the Commission;                      (B) the unit rate and total amount of the surcharge billed to each customer;                      (C) the date or dates on which the surcharge was billed to customers; and                      (D) the total amount collected from customers from the surcharge.</p> <p>(d) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.</p> <p>Source Note: The provisions of this Section 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 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947</p> <p>Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018</p>

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
91055	D	Mcf	\$.0000	05/09/2016	Y
<b>DESCRIPTION: **CONFIDENTIAL**</b>					
<b>Customer</b>	36693	Firm transportation customers in Incorporated areas of GULF COAST SVC AREA			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 28876

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 01/30/2019      **RECEIVED DATE:** 04/15/2019

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 03/29/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N      **RRC DOCKET NO:** 10488RC 10527 10666 GRIP 1

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 3/29/19, Rate Sched PSF-All-ISOS-PipeFee(Pipeline Safety and Reg. Program) rate is \$1.00/meter to be billed during April-19 billing cycles.

**OTHER(EXPLAIN):** Eff. 1/30/2019, new Customer Chg per 2018 GRIP Filing for Gulf Coast Environs Svc Area, apprvd via GUD 10781

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
36694	Firm transportation customers in Unincorporated areas of GULF COAST SVC AREA	N	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 28876
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-GulfCst-ISO	<p>TEXAS GAS SERVICE COMPANY Gulf Coast Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas.</p> <p>Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.</p> <p>Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc.</p> <p>Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</p> <p>Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p> <p>Consumption Period: Shall mean a volumetric billing period.</p> <p>Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.</p> <p>Decatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</p> <p>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</p> <p>Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.</p> <p>Mcf: Shall mean one thousand (1,000) cubic feet of Gas</p> <p>Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.</p> <p>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.</p> <p>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</p> <p>PDA: Shall mean a predetermined allocation method.</p> <p>Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.</p> <p>Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.</p> <p>Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.</p> <p>Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.</p> <p>Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 28876
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Gulf Coast Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY:**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 28876
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.

e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES:**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.

b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.

c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.

d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.

e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.

f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.

g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.

h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 28876
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSF-ALL-ISOS-PSAF	<p>Meters Read On and After May 9, 2016  Supersedes Rate Schedules  T-GTC SJC Incorp. dated January 27, 2014  T-GEN SJC Environs dated April 1, 2013  Texas Gas Service Company, a Division of ONE Gas, Inc.  All Service Areas  RATE SCHEDULE PSF</p> <p style="text-align: center;">PIPELINE SAFETY AND REGULATORY PROGRAM FEES</p> <p>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 Section 8.201 Pipeline Safety and Regulatory Program Fees</p> <p>(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.</p> <p>(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.</p> <p>(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.</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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and  (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.</p> <p>(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:</p> <p>(A) the pipeline safety and regulatory program fee amount paid to the Commission;  (B) the unit rate and total amount of the surcharge billed to each customer;  (C) the date or dates on which the surcharge was billed to customers; and  (D) the total amount collected from customers from the surcharge.</p> <p>(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 Section 7.315 of this title, relating to Filing of Tariffs.</p> <p>(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.</p> <p>(c) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 28876
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-ENV-GulfCst-OS	<p>and regulatory program fee of \$100 per master meter system.</p> <p>(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program fee of \$100 per master meter system no later than June 30 of each year.</p> <p>(2) The Commission shall send an invoice to each affected natural gas master meter system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory program fee on June 30 each year.</p> <p>(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 paragraph (1) of this subsection.</p> <p>(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:</p> <p>(A) the pipeline safety and regulatory program fee amount paid to the Commission;</p> <p>(B) the unit rate and total amount of the surcharge billed to each customer;</p> <p>(C) the date or dates on which the surcharge was billed to customers; and</p> <p>(D) the total amount collected from customers from the surcharge.</p> <p>(d) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.</p> <p>Source Note: The provisions of this Section 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 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947</p> <p>Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018                      Texas Gas Service Company, a Division of ONE Gas, Inc.                      RATE SCHEDULE T-1-ENV                      Gulf Coast Service Area</p> <p style="text-align: center;"><b>TRANSPORTATION SERVICE RATE</b></p> <p><b>Applicability</b></p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p><b>Availability</b></p> <p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's unincorporated areas of the Gulf Coast Service Area distribution system which includes the environs of Galveston, Bayou Vista, Jamaica Beach, Port Arthur, Port Neches, Groves and Nederland, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p> <p><b>Cost of Service Rate</b></p> <p>During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p> <p>Commercial \$ 300.00 per month                      plus Interim Rate Adjustments \$5.05 (Footnote 1) Total Rate \$305.05</p> <p>Industrial \$ 300.00 per month</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 28876
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	plus Interim Rate Adjustments \$115.52 (Footnote 2) Total Rate \$415.52
	Public Authority \$ 300.00 per month plus Interim Rate Adjustments \$6.63 (Footnote 3) Total Rate \$306.63
	Plus - All Ccf per monthly billing period listed by customer class as follows:
	Commercial The First 250 Ccf@ \$ 0.20185 per Ccf (Footnote 4) All Over 250 Ccf @ \$ 0.17425 per Ccf (Footnote 5)
	Industrial The First 250 Ccf@ \$ 0.37808 per Ccf (Footnote 6) All Over 250 Ccf @ \$ 0.35228 per Ccf (Footnote 7)
	Public Authority The First 250 Ccf@ \$ 0.13587 per Ccf (Footnote 8) All Over 250 Ccf @ \$ 0.11007 per Ccf (Footnote 9)
	Additional Charges:
	1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
	2) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Gulf Coast Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.
	3) Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.
	Subject To
	1) Tariff T-TERMS, General Terms and Conditions for Transportation
	2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Footnote 1: 2016 IRA - \$3.57 (GUD No. 10666); 2017 IRA - \$1.48 (GUD No. 10781) Footnote 2: 2016 IRA - \$85.98 (GUD No. 10666); 2017 IRA - \$29.54 (GUD No. 10781) Footnote 3: 2016 IRA - \$4.66 (GUD No. 10666); 2017 IRA - \$1.97 (GUD No. 10781) Footnote 4: \$0.22140 (GUD No. 10488) revised to \$0.20185 (GUD No. 10730) Footnote 5: \$0.19380 (GUD No. 10488) revised to \$0.17425 (GUD No. 10730) Footnote 6: \$0.40060 (GUD No. 10488) revised to \$0.37808 (GUD No. 10730) Footnote 7: \$0.37480 (GUD No. 10488) revised to \$0.35228 (GUD No. 10730) Footnote 8: \$0.15672 (GUD No. 10488) revised to \$0.13587 (GUD No. 10730) Footnote 9: \$0.13092 (GUD No. 10488) revised to \$0.11007 (GUD No. 10730)
	Meters Read On and After January 23, 2019 (Billing implementation January 30, 2019) Supersedes Sheet Dated May 25, 2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
91056	D	Mcf	\$,0000	05/09/2016	Y
<b>DESCRIPTION:</b> **CONFIDENTIAL**					
<b>Customer</b>	36694	Firm transportation customers in Unincorporated areas of GULF COAST SVC AREA			

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 28876**

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 29159**

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 06/01/2016                      **RECEIVED DATE:** 08/01/2018

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/26/2018

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:** 10526 RC (T-1-ENV)

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 6/26/2018, new T-1 Cust Chg per 2018 GRIP for Inc. and Env. Central Texas service area

**OTHER(EXPLAIN):** None

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
36844	**CONFIDENTIAL**	Y	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29159
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-CTX-ISOS	<p>TEXAS GAS SERVICE COMPANY Central Texas Service Area RATE SCHEDULE T-TERMS GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas. Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances. Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu. Commission or The Commission: The Railroad Commission of Texas. Company: Texas Gas Service Company, a division of ONE Gas, Inc. Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit. Consumption Period: Shall mean a volumetric billing period. Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day. Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis. Electronic Flow Measurement (EFM): A device that remotely reads a gas meter. Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof. Mcf: Shall mean one thousand (1,000) cubic feet of Gas Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. (central clock time) on the first Day of the next succeeding calendar month. Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month. Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas. PDA: Shall mean a predetermined allocation method. Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer. Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer. Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery. Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system. Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable. Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff. Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder. Transportation Form: Shall mean the Company approved selection of transportation service document. Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system. Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system. Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday. Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.</p> <p>1.3 COMPANY'S RESPONSIBILITY Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK). a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29159
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29159
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
CT-T-33-OS-XAK	<p>Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)                       January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)                       November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)</p> <p>Supersedes Rate Schedules Dated:                      CTX Incorp January 27, 2014 (T-GTC)                       CTX Environs January 2, 2003 (T-GEN-ENV)                       STX Environs January 27, 2014 (T-GTC)                       Dripping Springs Environs January 31, 2006 (T-GEN)                       Kyle/Buda Environs April 30, 2008 (T-GEN)                       STX Incorp January 27, 2014 (T-GTC)                       STX Environs January 27, 2014 (T-GTC)</p> <p>CT-T-33-OS-XAK                      RATES</p> <p>4.1 Subject to the other provisions of this Agreement, beginning on the date deliveries of gas commence hereunder, Shipper shall pay to Transporter each month, for each Mcf of gas redelivered by Transporter to Shipper at the above-described Point(s) of Redelivery during the preceding month, the sum of the following transportation fees and compression and treating costs:</p> <p>(a) During each monthly billing a customer charge per Rate Schedule T-1 ENV; plus</p> <p>(b) A cost of service rate for use of Transporter's facilities and all other services provided directly by Transporter for all volumes redelivered to Shipper:                       All volumes redelivered each contract year @ \$0.60 per Mcf; plus</p> <p>(c) All amounts for any taxes (including, but not limited to Article 6060 Tax) fees; plus</p> <p>(d) Any third party demand charges, transport or service fees paid by Transporter on behalf of Shipper associated with the transportation of gas hereunder:</p> <p>plus (e) To the extent Shipper requires special handling of the gas transported hereunder, all cost (including, but not limited to, a rate of return and compensation of overhead, administration and depreciation) for compression, treating or similar services provided by Transporter.</p> <p>(e) In addition to the other sums payable to Transporter under this Agreement, Shipper agrees to pay Transporter the full amount of any additional, new or increased taxes, fees, street rentals, license fees, franchise taxes or fees or charges of every kind and character contracted, levied or assessed by any federal, state, municipal or other governmental authority against Transporter in connection with or attributable to the transportation, delivery, redelivery, use or other handling of the gas transported on behalf of Shipper, unless Shipper has furnished Transporter satisfactory certificates showing that Shipper is exempt from the applicable taxes, fees or charges. Subject to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 29159**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-ENV-CTX-OS	<p>any necessary regulatory approvals, Shipper agrees to pay this additional tax, fee or charge whether asserted on a retroactive basis or whether applied on a going forward basis.</p> <p>(f) At no time shall the rate charged to the Shipper by the Transporter exceed the Transporter's rate as published in its tariff and approved by the Texas Railroad Commission.</p> <p>4.2 During the term of this Agreement, the Transporter shall calculate annually, Shipper's volume by totaling actual measured volume, at the Point(s) of Delivery to Shipper, for a 12 month period beginning January 1, 2016. (Yearly Volume)</p> <p>The Yearly Volume shall be no lower than 72,000 Mcf. Should Shipper's Yearly Volume fall below 72,000 Mcf, Shipper shall be billed a fee (Minimum Volume Annual Fee) calculated by multiplying (i) the difference of the required volume (72,000 Mcf) and the Yearly Volume by (ii) the current Cost of Service Rate. If applicable, the Minimum Volume Annual Fee shall be calculated within sixty (60) days of the end of the 12 month period.</p> <p>All other provisions of the applicable Transportation Rate Schedule as amended from time to time shall continue to apply. If any increased taxes or fees on Transporter's services are levied by any regulatory or legislative body, Transporter shall have the right to specify a different cost of service rate by providing thirty (30) days notice of such charge to Shipper. Shipper will then have sixty (60) days to accept such rate or terminate this Agreement.</p> <p>Transporter's General Terms and Conditions (T-TERMS) for Firm Transportation Customers on file with the Railroad commission of Texas as amended from time to time shall apply to this Agreement.</p> <p>TEXAS GAS SERVICE COMPANY RATE SCHEDULE T-1-ENV Central Texas Service Area</p>
	<p style="text-align: center;"><b>TRANSPORTATION SERVICE RATE</b></p>
	<p><b>APPLICABILITY</b></p>
	<p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p>
	<p><b>AVAILABILITY</b></p>
	<p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's unincorporated areas of the Central Texas Service Area distribution system which includes the environs of Austin, Bee Cave, Buda, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills, and Yoakum, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p>
	<p><b>COST OF SERVICE RATE</b></p>
	<p>During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p>
	<p>Commercial \$ 250.00 per month plus Interim Rate Adjustments \$8.92 (Footnote 1) Total Rate \$258.92</p>
	<p>Industrial \$ 350.00 per month plus Interim Rate Adjustments \$103.62 (Footnote 2) Total Rate \$453.62</p>
	<p>Public Authority \$ 70.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 3) Total Rate \$91.49</p>
	<p>Public Schools Space Heat \$ 200.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 4) Total Rate \$221.49</p>
	<p>Compressed Natural Gas \$ 75.00 per month plus Interim Rate Adjustments \$99.23 (Footnote 5) Total Rate \$174.23</p>
	<p>Electrical Cogeneration \$ 70.00 per month plus Interim Rate Adjustments \$21.49 (Footnote 6) Total Rate \$91.49</p>



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29159
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Plus - All Ccf per monthly billing period listed by customer class as follows:

Commercial - \$0.11614 per Ccf (Footnote 7)  
 Industrial - \$0.10273 per Ccf (Footnote 8)  
 Public Authority - \$0.11541 per Ccf (Footnote 9)  
 Public Schools Space Heat - \$0.10012 per Ccf (Footnote 10)  
 Compressed Natural Gas - \$0.06684 per Ccf (Footnote 11)

Electrical Cogeneration -  
 For the First 5,000Ccf/month \$0.07720 per Ccf (Footnote 12)  
 For the Next 35,000 Ccf/month \$0.06850 per Ccf (Footnote 13)  
 For the Next 60,000 Ccf/month \$0.05524 per Ccf (Footnote 14)  
 All Over 100,000 Ccf/month \$0.04016 per Ccf (Footnote 15)

**ADDITIONAL CHARGES**

- 1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
- 2) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Central Texas Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.
- 3) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE- ENV).
- 4) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

**SUBJECT TO**

- 1) Tariff T-TERMS, General Terms and Conditions for Transportation.
- 2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
- 3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Footnote 1: 2016 IRA - \$5.79 (GUD No.10610) revised to \$5.17 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$3.75  
 Footnote 2: 2016 IRA - \$65.77 (GUD No.10610) revised to \$58.71 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$44.91  
 Footnote 3: 2016 IRA - \$13.96 (GUD No.10610) revised to \$12.46 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$9.03  
 Footnote 4: 2016 IRA - \$13.96; (GUD No.10610) revised to \$12.46 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$9.03  
 Footnote 5: 2016 IRA - \$60.25 (GUD No.10610) revised to \$53.78 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$45.45  
 Footnote 6: 2016 IRA - \$13.96 (GUD No.10610) revised to \$12.46 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$9.03  
 Footnote 7: \$0.13174 (GUD No. 10526) revised to \$0.11614 (GUD No. 10714)  
 Footnote 8: \$0.11186 (GUD No. 10526) revised to \$0.10273 (GUD No. 10714)  
 Footnote 9: \$0.12529 (GUD No. 10526) revised to \$0.11541 (GUD No. 10714)  
 Footnote 10: \$0.11000 (GUD No. 10526) revised to \$0.10012 (GUD No. 10714)  
 Footnote 11: \$0.07148 (GUD No. 10526) revised to \$0.06684 (GUD No. 10714)  
 Footnote 12: \$0.08708 (GUD No. 10526) revised to \$0.07720 (GUD No. 10714)  
 Footnote 13: \$0.07838 (GUD No. 10526) revised to \$0.06850 (GUD No. 10714)  
 Footnote 14: \$0.06512 (GUD No. 10526) revised to \$0.05524 (GUD No. 10714)  
 Footnote 15: \$0.05004 (GUD No. 10526) revised to \$0.04016 (GUD No. 10714)

Supersedes Rate Schedule Dated:  
 June 16, 2017 (Unincorporated Areas of  
 the Central Texas Service Area)

Meters Read On and After:  
 June 26, 2018

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 29159**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
91463	D	Mcf	\$.6000	06/01/2016	Y
<b>DESCRIPTION:    **CONFIDENTIAL**</b>					
<b>Customer</b>	36844	<b>**CONFIDENTIAL**</b>			

**TYPE SERVICE PROVIDED**

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

**TUC APPLICABILITY**

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

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

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

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 29200

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 06/26/2018                      **RECEIVED DATE:** 04/15/2019

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 03/29/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:** 10506RC;10612(2017GRIP)10:

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 3/29/19, new PIT Rider rate apprvd via GUD 10506 and Rate Sched Pipeline Safety Fee rate is \$1.00/meter billed during April-19 billing cycles.

**OTHER(EXPLAIN):** Eff. 6/26/2018, new Cust Chg per 2018 GRIP for Env. WTX, apprvd via GUD 10710, incl. reduced svc rates pursuant to 2018 Voluntary Rate Reduction

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
36934	Firm transportation customers in Unincorporated areas of WEST TEXAS SVC AREA	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29200
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>		
RCE-ENV-Rider-WTS	<p>TEXAS GAS SERVICE COMPANY West Texas Service Area RATE SCHEDULE RCE-ENV</p> <p style="text-align: center;">RATE CASE EXPENSE SURCHARGE</p> <p>A. APPLICABILITY</p> <p>The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 10506: Statement of Intent Filed by Texas Gas Service Company, a division of ONE Gas, Inc. to Increase Gas Utility Rates Within the Unincorporated Areas of the El Paso Service Area, Permian Service Area, and Dell City Service Area, Final Order Finding of Fact No. _____. This rate shall apply to the following rate schedules of Texas Gas Service Company in the following unincorporated areas served in TGS's West Texas Service Area: Andrews, Anthony, Barstow, Canutillo, Clint, Crane, Dell City, El Paso, Fabens, Horizon City, McCamey, Monahans, Pecos, Pyote, San Elizario, Socorro, Thortonville, Vinton, Wickett, and Wink Texas: 1Z, 2Z, 2A, 3Z, 4Z, 4A, 4B, and T-1-ENV.</p> <p>B. RCE RATE</p> <p>All Ccf during each billing period: \$0.00368 per Ccf</p> <p>This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. Texas Gas Service Company will recover \$93,878 in actual expense and up to \$2,300 in estimated expense, not to exceed actual expense. The Rate Case Expense Surcharge will be a separate line item on the bill.</p> <p>C. OTHER ADJUSTMENTS</p> <p>Taxes: Plus applicable taxes and fees (including franchise fees for customers in incorporated areas) related to above.</p> <p>D. CONDITIONS</p> <p>Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>E. COMPLIANCE</p> <p>The Company will file annually, due on or before December 31, a rate case expense recovery report with the Railroad Commission of Texas (Commission), Oversight and Safety Division, referencing GUD No. 10521. The report shall detail the amount recovered by month by customer class, the amount of RCE recovered, and the outstanding balance by month. Reports for the Commission should be filed electronically at <a href="mailto:GUD_Compliance@rrc.texas.gov">GUD_Compliance@rrc.texas.gov</a> or at the following address:</p> <p>Compliance Filings Oversight and Safety Division Gas Services Department Railroad Commission of Texas P.O. Box 12967 Austin, Texas 78711-2967</p> <p>Effective Date: Issuance date of Final Order in GUD No. 10521 Meters Read On and After June 26, 2018</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Supersedes Rate Schedule August 25, 2017</td> <td style="width: 50%;">Meters Read On and After June 26, 2018</td> </tr> </table>	Supersedes Rate Schedule August 25, 2017	Meters Read On and After June 26, 2018
Supersedes Rate Schedule August 25, 2017	Meters Read On and After June 26, 2018		
T-1-ENV-WTSA-OS	<p>TEXAS GAS SERVICE, a division of ONE Gas, Inc. RATE SCHEDULE T-1-ENV West Texas Service Area</p> <p style="text-align: center;">TRANSPORTATION SERVICE RATE</p> <p>Applicability</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be</p>		

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.

## Availability

Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's unincorporated areas of the West Texas Service Area distribution system which includes the environs of Andrews, Anthony, Barstow, Canutillo, Clint, Crane, Dell City, El Paso, Fabens, Horizon City, McCamey, Monahans, Pecos, Pyote, San Elizario, Socorro, Thorntonville, Vinton, Wickett and Wink, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.

## Cost of Service Rate

During each monthly billing period, a customer charge per meter per month listed by customer class as follows:

Commercial \$400.00 per month  
plus Interim Rate Adjustments \$6.07 (Footnote 1) Total Rate \$406.07

Cogeneration \$400.00 per month  
plus Interim Rate Adjustments \$6.07 (Footnote 2) Total Rate \$406.07

Industrial \$400.00 per month  
plus Interim Rate Adjustments \$150.16 (Footnote 3) Total Rate \$550.16

Public Authority \$400.00 per month  
plus Interim Rate Adjustments \$23.73 (Footnote 4) Total Rate \$423.73

Plus - All Ccf per monthly billing period listed by customer class as follows:

Commercial The First 500 Ccf @ \$0.08223 per Ccf (Footnote 5)  
All Over 500 Ccf @ \$0.06223 per Ccf (Footnote 6)

Cogeneration Oct. - Apr. (Winter)  
First 5,000 Ccf @ \$0.05696 per Ccf (Footnote 7)  
Next 95,000 Ccf @ \$0.04696 per Ccf (Footnote 8)  
Next 300,000 Ccf @ \$0.03696 per Ccf (Footnote 9)  
All Over 400,000 Ccf @ \$0.02696 per Ccf (Footnote 10)

May - Sept. (Summer)  
First 5,000 Ccf @ \$0.04695 per Ccf (Footnote 11)  
Next 95,000 Ccf @ \$0.03694 per Ccf (Footnote 12)  
Next 300,000 Ccf @ \$0.02695 per Ccf (Footnote 13)  
All Over 400,000 Ccf @ \$0.01694 per Ccf (Footnote 14)

Industrial The First 500 Ccf @ \$0.12458 per Ccf (Footnote 15)  
All Over 500 Ccf @ \$0.10458 per Ccf (Footnote 16)

Public Authority The First 500 Ccf @ \$0.11461 per Ccf (Footnote 17)  
All Over 500 Ccf @ \$0.09461 per Ccf (Footnote 18)

## Additional Charges:

1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.

2) A charge will be made each month to recover the cost of any applicable taxes.

3) In the event the Company incurs a demand charge, balancing service rate, or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the West Texas Service Area, the customer may be charged its proportionate share of the demand charge, balancing service rate, or reservation charge based on benefit received by the customer.

4) Rate Schedule RCE-ENV: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.

5) Pipeline Integrity Testing Rider: Adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.



## GAS SERVICES DIVISION

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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

The purpose of this Pipeline Integrity Testing Rider is to promote the public interest in pipeline safety by enabling the Company to recover the reasonable and necessary Pipeline Integrity Safety Testing expenses incurred by the Company during the prior year (including contractor costs but excluding the labor cost of TGS employees. These legally mandated operating and maintenance expenses shall be recovered through a separate monthly volumetric charge (the Pipeline Integrity Testing or PIT Surcharge) that shall be shown as a separate line item on the customer's monthly bill and calculated for each customer class as described below. Capital expenditures associated with the Pipeline Integrity Program shall continue to be recovered through base rates and any interim rate adjustments implemented pursuant to Section 104.301 of the Gas Utility Regulatory Act.

**APPLICABILITY**

This Rider shall be applied to all gas sales and transportation customers within the service territory designated below, except special contract customers.

**TERRITORY**

This Rider shall apply throughout the Company's West Texas Service Area (WTSA), both within the incorporated municipal limits of Andrews, Anthony, Barstow, Clint, Crane, Dell City, El Paso, Horizon City, McCamey, Monahans, Pecos, Pyote, San Elizario, Socorro, Thorntonville, Wickett, Wink and Vinton, Texas (collectively, the WTSA Cities), and in the unincorporated areas (environs) adjacent to the WTSA Cities.

**QUALIFYING EXPENSES**

This Rider applies only to the legally mandated safety testing of the Company's transmission lines in the WTSA under the Pipeline Integrity Safety Testing Program. The operating and maintenance expense items that qualify for recovery under this Rider shall include the contractor costs associated with land and leak survey, permitting, and job order preparation and completion; the clearing of right-of-way; any needed notifications to adjacent businesses and residences; traffic control equipment and personnel; Direct Current Voltage Gradient (DCVG), Close Interval (CI), and other surveys to ensure the integrity of the pipeline system; any required rigid bypasses; flushing of the lines and testing and disposal of the flush water; hydrostatic testing of the lines and analysis and disposal of the test water; any required pigging of the lines in connection with safety testing; any required x-ray welding; metallurgical testing of the pipeline or components thereof; site restoration, painting, and clean-up; expenses associated with providing a supply of compressed natural gas (CNG) to ensure uninterrupted service to customers during testing; and any other operating and maintenance expenses reasonably necessary to safely and effectively perform required safety testing of the Company's pipelines in the WTSA. Neither capital expenditures by the Company, nor the labor cost of TGS employees, shall be recovered under this Rider.

**CALCULATION OF PIT SURCHARGES**

The Pipeline Integrity Testing Surcharges established under this Rider shall be designed so as to recover the Total Testing Expense incurred in the prior year for Pipeline Integrity Safety Testing, and shall be calculated as follows:

The Total Annual Testing Expense shall be divided by the estimated average annual usage to produce the annual PIT Surcharge.

$$\text{PIT Surcharge} = \frac{\text{Total Annual Testing Expense}}{\text{Estimated Annual Usage}}$$

Based upon customer data for the prior calendar year and any other relevant factors, the estimated annual usage may be revised annually to account for customer growth, and the resulting revised PIT Surcharge shall be applied to each class for the ensuing 12-month recovery period.

**ANNUAL RECONCILIATION**

After completion of each annual recovery period, the total revenues collected under this Rider for that year shall be reconciled against the revenues previously calculated to be collected for that year, and the PIT Surcharge for each class shall be adjusted upward or downward so that the Company recovers any underrecoveries or refunds any overrecoveries that may have accrued under the Rider, plus monthly interest on those underrecoveries or overrecoveries at the cost of long-term debt approved in the Company's most recent general rate case in which rates were set by the Commission for application to customers in the WTSA Cities. The reconciliation shall be filed with the regulatory authority on or before February 21st of each year, and the regulatory authority shall complete its review of the reconciliation on or before March 21st of each year, so that the Company can implement the reconciled PIT Surcharges beginning with the first billing cycle for April of each succeeding year.

**DEFERRED ACCOUNTING**

The Company is authorized and directed to defer, as a regulatory asset, all Pipeline Integrity Safety Testing expenses incurred during the testing cycle starting on January 1, 2016 and all revenues specifically collected under this Rider shall be applied to the deferred expense account. The Company shall not earn a return on any regulatory asset created under this provision, and no such regulatory asset shall be included in the Company's invested capital (rate base) for ratemaking purposes.

**ANNUAL REPORT & APPLICABLE PSCC**

On or before February 21st after each calendar year, the Company shall file a report with the Commission and the WTSA Cities showing all Pipeline Integrity Safety Testing expenses incurred during the previous calendar year and verifying the prior year's collections and any underrecoveries or overrecoveries accruing to date under this Rider. The report shall separately identify and list such expenses by account number and project number. Prior to the effective date of this Rider and on or before February 21st of each succeeding year while this Rider is in effect, the Company shall also file an Addendum to this Rider with the Commission and the

## GAS SERVICES DIVISION

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WTSA Cities (a) identifying the PIT Surcharges that will be applied during the ensuing 12-month recovery period from April 1st through March 31st, and (b) providing the underlying data and calculations on which each PIT Surcharge for that period is based.

**NOTICE TO AFFECTED CUSTOMERS** In addition to the annual report and Addendum to this Rider required above, the Company shall provide, on or before March 31st after each calendar year, written notice to each affected customer of (a) the PIT Surcharge that will be applied during the ensuing 12-month period from April 1st through March 31st, and (b) the effect the PIT Surcharge is expected to have on the average monthly bill for each affected customer class. The written notice shall be provided in both English and Spanish, shall be the only information contained on the piece of paper on which it is printed, and may be provided either by separate mailing or by insert included with the Company's monthly billing statements. The Company shall also file an affidavit annually with the Commission and the WTSA Cities certifying that notice has been provided to customers in this manner. The notice shall be presumed to be complete three calendar days after the date the separate mailing or billing statement is deposited in a postage-paid, properly addressed wrapper in a post office or official depository under care of the United States Postal Service. The initial notice shall be filed with, reviewed, and approved by the regulatory authority, and each subsequent notice shall follow the same format as that of the approved initial notice.

Meters Read On and After:

October 5, 2016 (All Areas Except Incorporated Areas of Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett, Wink)

December 1, 2016 (Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett, Wink) Supersedes 'Initial Rate'

PSF-ALL-ISOS-PSAF

Texas Gas Service Company, a Division of ONE Gas, Inc.  
All Service Areas  
RATE SCHEDULE PSF

**PIPELINE SAFETY AND REGULATORY 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 Section 8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.

(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline



GAS SERVICES DIVISION

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Safety Division a report showing:</p> <p>(A) the pipeline safety and regulatory program fee amount paid to the Commission;</p> <p>(B) the unit rate and total amount of the surcharge billed to each customer;</p> <p>(C) the date or dates on which the surcharge was billed to customers; and</p> <p>(D) the total amount collected from customers from the surcharge.</p> <p>(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 Section 7.315 of this title, relating to Filing of Tariffs.</p> <p>(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.</p> <p>(c) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.</p> <p>(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program fee of \$100 per master meter system no later than June 30 of each year.</p> <p>(2) The Commission shall send an invoice to each affected natural gas master meter system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory program fee on June 30 each year.</p> <p>(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 paragraph (1) of this subsection.</p> <p>(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:</p> <p>(A) the pipeline safety and regulatory program fee amount paid to the Commission;</p> <p>(B) the unit rate and total amount of the surcharge billed to each customer;</p> <p>(C) the date or dates on which the surcharge was billed to customers; and</p> <p>(D) the total amount collected from customers from the surcharge.</p> <p>(d) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.</p> <p>Source Note: The provisions of this Section 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 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947</p> <p>Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018</p> <p>TEXAS GAS SERVICE COMPANY West Texas Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances. Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p>

T-TERMS-WTSA-ISO

GAS SERVICES DIVISION

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Commission or The Commission: The Railroad Commission of Texas.
	Company: Texas Gas Service Company, a division of ONE Gas, Inc. Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.
	Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.
	Consumption Period: Shall mean a volumetric billing period. Day or gas day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.
	DeKatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.
	Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.
	Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and nonhydrocarbon components thereof.
	Mcf: Shall mean one thousand (1,000) cubic feet of Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.
	Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Supplier's Aggregation Area pool of customers for such month.
	Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.
	PDA: Shall mean a predetermined allocation method.
	Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.
	Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.
	Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.
	Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.
	Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the West Texas Service Area, or the Railroad Commission of Texas, as applicable.
	Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.
	Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.
	Transportation Form: Shall mean the Company approved selection of transportation service document.
	Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customerowned natural gas through the Company's distribution system.
	Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.
	Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.
	Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty six (366) consecutive Days when such period includes a February 29.
	1.3 COMPANY'S RESPONSIBILITY: Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).
	a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in

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order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY:** Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES:** Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 29200**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier#s scheduling and/or managing the upstream transportation of the Customer#s gas to Company#s interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:</p> <p>October 5, 2016 (All Areas Except Incorporated Areas of Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thortonville, Wickett, Wink)</p> <p>December 1, 2016 (Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thortonville, Wickett, Wink)</p> <p>Supersedes Rate Schedule T-GEN and T-GEN-ENV: September 10, 2013, El Paso Incorp. July 29, 2011, El Paso Environs,</p>

**RATE ADJUSTMENT PROVISIONS:**  
None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
91569	D	CCf	\$ .0000	10/05/2016	N
<b>DESCRIPTION:</b> All applicable transportation delivery points within Unincorporated TGS WEST TEXAS SVC AREA					
<b>Customer</b>	36934	Firm transportation customers in Unincorporated areas of WEST TEXAS SVC AREA			

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 29200**

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	
M	Other(with detailed explanation)	Firm Transportation customers in the Environs areas of West Texas Svc Area

**TUC APPLICABILITY**

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 29201

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 06/26/2018      **RECEIVED DATE:** 04/15/2019

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 03/29/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N      **RRC DOCKET NO:** 10506RC, 10521(RCE)

**CITY ORDINANCE NO:** 2018GRIP Ord,Op-Law

**AMENDMENT(EXPLAIN):** Eff. 3/29/19, new PIT Rider rate apprvd via GUD 10506 and Rate Sched Pipeline Safety Fee rate is \$1.00/meter billed during April-19 billing cycles.

**OTHER(EXPLAIN):** Eff. 6/26/2018, new Cust Chg per 2018 GRIP for Inc. WTX, apprvd via Ord, OpLaw, incl. reduced svc rates pursuant to 2018 Voluntary Rate Reduction

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
36935	Firm transportation customers in Incorporated areas of WEST TEXAS SVC AREA	N	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29201
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSF-ALL-ISOS-PSAF	<p>Texas Gas Service Company, a Division of ONE Gas, Inc. All Service Areas RATE SCHEDULE PSF</p> <p style="text-align: center;">PIPELINE SAFETY AND REGULATORY PROGRAM FEES</p> <p>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 Section 8.201 Pipeline Safety and Regulatory Program Fees</p> <p>(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.</p> <p>(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.</p> <p>(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.</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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.</p> <p>(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:</p> <p>(A) the pipeline safety and regulatory program fee amount paid to the Commission; (B) the unit rate and total amount of the surcharge billed to each customer; (C) the date or dates on which the surcharge was billed to customers; and (D) the total amount collected from customers from the surcharge.</p> <p>(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 Section 7.315 of this title, relating to Filing of Tariffs.</p> <p>(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.</p> <p>(c) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.</p> <p>(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program fee of \$100 per master meter system no later than June 30 of each year.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29201
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(2) The Commission shall send an invoice to each affected natural gas master meter system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory program fee on June 30 each year.</p> <p>(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 paragraph (1) of this subsection.</p> <p>(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:</p> <p>(A) the pipeline safety and regulatory program fee amount paid to the Commission;</p> <p>(B) the unit rate and total amount of the surcharge billed to each customer;</p> <p>(C) the date or dates on which the surcharge was billed to customers; and</p> <p>(D) the total amount collected from customers from the surcharge.</p> <p>(d) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.</p> <p>Source Note: The provisions of this Section 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 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947</p>
RCE-Rider-WTSA-CO	<p>Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018</p> <p>TEXAS GAS SERVICE COMPANY West Texas Service Area RATE SCHEDULE RCE-COC RATE CASE EXPENSE SURCHARGE A. APPLICABILITY The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinances. This rate shall apply to the following rate schedules of Texas Gas Service Company in the following incorporated areas served in TGS's West Texas Service Area: Clint, Horizon City, San Elizario, Texas: 10, 20, 21, 30, 40, 41, 42, and T-1. B. RCE RATE All Ccf during each billing period: \$0.00582 per Ccf This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. Texas Gas Service Company will recover \$52,607 in actual expense and up to \$3,045 in estimated expense, not to exceed actual expense. The Rate Case Expense Surcharge will be a separate line item on the bill. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchise fees for customers in incorporated areas) 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 August 25, 2017</p>
RCE-Rider-WTSA-EP	<p>TEXAS GAS SERVICE COMPANY West Texas Service Area RATE SCHEDULE RCE-EP RATE CASE EXPENSE SURCHARGE A. APPLICABILITY The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinances. This rate shall apply to the following rate schedules of Texas Gas Service Company in the following incorporated areas served in TGS's West Texas Service Area: El Paso, Texas: 10, 20, 21, 30, 40, 41, 42, and T-1. B. RCE RATE All Ccf during each billing period: \$0.00493 per Ccf This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. Texas Gas Service Company will recover \$1,459,753 in actual expense and up to \$46,859 in estimated expense, not to exceed actual expense. The Rate Case Expense Surcharge will be a separate line item on the bill. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchise fees for customers in incorporated areas) 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 August 25, 2017</p>
RCE-Rider-WTSA-OT	<p>TEXAS GAS SERVICE COMPANY West Texas Service Area RATE SCHEDULE RCE-OTH RATE CASE EXPENSE SURCHARGE A. APPLICABILITY The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinances. This rate shall apply to the following rate schedules of Texas Gas Service Company in the following incorporated areas served in TGS's West Texas Service Area: Andrews, Anthony, Barstow, Crane, Dell City, McCamey, Monahans, Pecos, Pyote, Socorro, Thortonville, Vinton, Wickett and Wink, Texas: 10, 20, 21, 30, 40, 41, 42, and T-1. B. RCE RATE All Ccf during each billing period: \$0.00180 per Ccf This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. Texas Gas Service Company will recover \$49,873 in actual expense and up to \$0.00 in estimated expense, not to exceed actual expense. The Rate Case Expense Surcharge will be a separate line item on the bill. C. OTHER ADJUSTMENTS Taxes: Plus applicable taxes and fees (including franchise fees for customers in incorporated areas) 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 August 25, 2017</p>
T-1-WTSA-IS	<p>TEXAS GAS SERVICE, a division of ONE Gas, Inc. RATE SCHEDULE T-1 West Texas Service Area</p>
TRANSPORTATION SERVICE RATE	



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29201
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

## Applicability

Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.

## Availability

Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's West Texas Service Area distribution system which includes the incorporated areas of, Andrews, Anthony, Barstow, Clint, Crane, Dell City, El Paso, Horizon City, McCamey, Monahans, Pecos, Pyote, San Elizario, Socorro, Thorntonville, Vinton, Wickett and Wink, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.

## Cost of Service Rate

During each monthly billing period, a customer charge per meter per month listed by customer class as follows:

Commercial \$400.00 per month  
plus Interim Rate Adjustments \$6.07 (Footnote 1) Total Rate \$406.07

Cogeneration \$400.00 per month  
plus Interim Rate Adjustments \$6.07 (Footnote 2) Total Rate \$406.07

Industrial \$400.00 per month plus Interim Rate Adjustments \$150.16 (Footnote 3) Total Rate \$550.16

Public Authority \$400.00 per month plus Interim Rate Adjustments \$23.73 (Footnote 4) Total Rate \$423.73

Plus - All Ccf per monthly billing period listed by customer class as follows:

Commercial The First 500 Ccf @ \$0.08223 per Ccf (Footnote 5)  
All Over 500 Ccf @ \$0.06223 per Ccf (Footnote 6)

Cogeneration Oct. - Apr. (Winter)  
First 5,000 Ccf @ \$0.05696 per Ccf (Footnote 7)  
Next 95,000 Ccf @ \$0.04696 per Ccf (Footnote 8)  
Next 300,000 Ccf @ \$0.03696 per Ccf (Footnote 9)  
All Over 400,000 Ccf @ \$0.02696 per Ccf (Footnote 10)

May - Sept. (Summer)  
First 5,000 Ccf @ \$0.04695 per Ccf (Footnote 11)  
Next 95,000 Ccf @ \$0.03694 per Ccf (Footnote 12)  
Next 300,000 Ccf @ \$0.02695 per Ccf (Footnote 13)  
All Over 400,000 Ccf @ \$0.01694 per Ccf (Footnote 14)

Industrial The First 500 Ccf @ \$0.12458 per Ccf (Footnote 15)  
All Over 500 Ccf @ \$0.10458 per Ccf (Footnote 16)

Public Authority The First 500 Ccf @ \$0.11461 per Ccf (Footnote 17)  
All Over 500 Ccf @ \$0.09461 per Ccf (Footnote 18)

## Additional Charges:

- 1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
- 2) A charge will be made each month to recover the cost of any applicable taxes and fees, including franchise fees paid to the cities.
- 3) In the event the Company incurs a demand charge, balancing service rate, or reservation charge from its gas supplier(s) or transportation providers in the incorporated areas of the West Texas Service Area, the customer may be charged its proportionate share of the demand charge, balancing service rate, or reservation charge based on benefit received by the customer.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 29201**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	4) Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.
	5) Pipeline Integrity Testing Rider: Adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.
	Subject To
	1) Tariff T-TERMS, General Terms and Conditions for Transportation.
	2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.
	Footnote 1: 2016 IRA - \$3.55 (GUD No. 10612) revised to \$3.16 (GUD No. 10713); 2017 IRA - \$2.91 (GUD No. 10710)
	Footnote 2: 2016 IRA - \$3.55 (GUD No. 10612) revised to \$3.16 (GUD No. 10713); 2017 IRA - \$2.91 (GUD No. 10710)
	Footnote 3: 2016 IRA - \$89.14 (GUD No. 10612) revised to \$79.31 (GUD No. 10713); 2017 IRA - \$70.85 (GUD No. 10710)
	Footnote 4: 2016 IRA - \$13.98 (GUD No. 10612) revised to \$12.44 (GUD No. 10713); 2017 IRA - \$11.29 (GUD No. 10710)
	Footnote 5: \$0.09520 (GUD No. 10506) revised to \$0.08223 (GUD No. 10713)
	Footnote 6: \$0.07520 (GUD No. 10506) revised to \$0.06223 (GUD No. 10713)
	Footnote 7: \$0.06993 (GUD No. 10506) revised to \$0.05696 (GUD No. 10713)
	Footnote 8: \$0.05993 (GUD No. 10506) revised to \$0.04696 (GUD No. 10713)
	Footnote 9: \$0.04993 (GUD No. 10506) revised to \$0.03696 (GUD No. 10713)
	Footnote 10: \$0.03993 (GUD No. 10506) revised to \$0.02696 (GUD No. 10713)
	Footnote 11: \$0.05992 (GUD No. 10506) revised to \$0.04695 (GUD No. 10713)
	Footnote 12: \$0.04991 (GUD No. 10506) revised to \$0.03694 (GUD No. 10713)
	Footnote 13: \$0.03992 (GUD No. 10506) revised to \$0.02695 (GUD No. 10713)
	Footnote 14: \$0.02991 (GUD No. 10506) revised to \$0.01694 (GUD No. 10713)
	Footnote 15: \$0.13202 (GUD No. 10506) revised to \$0.12458 (GUD No. 10713)
	Footnote 16: \$0.11202 (GUD No. 10506) revised to \$0.10458 (GUD No. 10713)
	Footnote 17: \$0.12499 (GUD No. 10506) revised to \$0.11461 (GUD No. 10713)
	Footnote 18: \$0.10499 (GUD No. 10506) revised to \$0.09461 (GUD No. 10713)
	Supersedes Same Sheet Dated: July 12, 2017
	Meters Read On and After: June 26, 2018
T-TERMS-WTSA-ISO	<p>TEXAS GAS SERVICE COMPANY West Texas Service Area                      RATE SCHEDULE T-TERMS                      GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</p> <p>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.</p> <p>1.2 DEFINITIONS The following definitions shall apply to the indicated words as used in this Tariff: Adder: Shall mean the Company's incremental cost to purchase natural gas Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances. Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.</p> <p>Commission or The Commission: The Railroad Commission of Texas.</p> <p>Company: Texas Gas Service Company, a division of ONE Gas, Inc. Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</p> <p>Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29201
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Consumption Period: Shall mean a volumetric billing period. Day or gas day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and nonhydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Supplier's Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the West Texas Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty six (366) consecutive Days when such period includes a February 29.

1.3 COMPANY'S RESPONSIBILITY: Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

## 1.4 CUSTOMER'S RESPONSIBILITY

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29201
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain In effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY: Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.

e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

1.6 IMBALANCES: Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.

b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

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**CURRENT RATE COMPONENT**

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	<p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Meters Read On and After:</p> <p>October 5, 2016 (All Areas Except Incorporated Areas of Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thortonville, Wickett, Wink)</p> <p>December 1, 2016 (Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thortonville, Wickett, Wink)</p> <p>Supersedes Rate Schedule T-GEN and T-GEN-ENV:                      September 10, 2013, El Paso Incomp.                      July 29, 2011, El Paso Environs,</p>
EDR-WTSA-IS-EcDev	<p>TEXAS GAS SERVICE COMPANY West Texas Service Area                      RATE SCHEDULE EDR ECONOMIC A. APPLICABILITY</p> <p>This Economic Development Rate (EDR) rate schedule shall apply to the following rate schedules for the incorporated areas of the Cities of Anthony, Clint, El Paso, Horizon City, San Elizario, Socorro, and Vinton, Texas: 10, 20, 21, 30, 40, 41, 42, C-1 and T-1.</p> <p>B. TERRITORY The Cities of Anthony, Clint, El Paso, Horizon City, San Elizario, Socorro and Vinton, Texas, that are within the incorporated portion of the West Texas Service Area.</p> <p>C. PURPOSE                      This rate schedule provides for the recovery of costs that TGS incurs related to economic development in a portion of the West Texas 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.</p> <p>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.</p> <p>D. BILLING                      1. The EDR rate shall be added to the applicable cost of service usage charge (per Ccf rate) for rate schedules: 10, 20, 21, 30, 40, 41, 42, C-1 and T-1.</p> <p>Meters Read On and After: October 5, 2016                      Supersedes Same Rate Schedule Dated: February 15, 2008</p>
PIT-Rider-WTSA-ISO	<p>Texas Gas Service Company, a Division of ONE Gas, Inc.                      West Texas Service Area                      RATE SCHEDULE PIT-RIDER</p>

GAS SERVICES DIVISION

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**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 29201**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PIT-WTSA-ISOS	<p>PIPELINE INTEGRITY TESTING (PIT) SURCHARGE RIDER</p> <p><b>A. APPLICABILITY</b>                      The Pipeline Integrity Testing Surcharge (PIT) rate as set forth in Section (B) below is pursuant to Final Order in GUD 10506. This rate shall apply to the following rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. in the incorporated and unincorporated areas of and adjacent to the West Texas Service Area (WTSA): 10, 20, 21, 30, 40, 41, 42, E5, SS, C-1, T-1, 1Z, 2Z, 2A, 3Z, 4Z, 4A, 4B, SS-ENV, C-1-ENV and T-1-ENV.</p> <p><b>B. PIT RATE</b>            \$0.00367 per Ccf This rate will be in effect until all approved and expended pipeline integrity testing expenses are recovered under the applicable rate schedules.</p> <p><b>C. OTHER ADJUSTMENTS</b> Taxes: Plus applicable taxes and fees (including franchises fees) related to above.</p> <p><b>D. CONDITIONS</b> Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Meters Read On and After March 29, 2019 Supersedes Rate Schedule dated: March 27, 2018</p> <p>TEXAS GAS SERVICE COMPANY                      RATE SCHEDULE PIT                      West Texas Service Area                      PIPELINE INTEGRITY TESTING (PIT) RIDER</p> <p><b>PURPOSE</b>                      The purpose of this Pipeline Integrity Testing Rider is to promote the public interest in pipeline safety by enabling the Company to recover the reasonable and necessary Pipeline Integrity Safety Testing expenses incurred by the Company during the prior year (including contractor costs but excluding the labor cost of TGS employees. These legally mandated operating and maintenance expenses shall be recovered through a separate monthly volumetric charge (the Pipeline Integrity Testing or PIT Surcharge) that shall be shown as a separate line item on the customer's monthly bill and calculated for each customer class as described below. Capital expenditures associated with the Pipeline Integrity Program shall continue to be recovered through base rates and any interim rate adjustments implemented pursuant to Section 104.301 of the Gas Utility Regulatory Act.</p> <p><b>APPLICABILITY</b>                      This Rider shall be applied to all gas sales and transportation customers within the service territory designated below, except special contract customers.</p> <p><b>TERRITORY</b>                      This Rider shall apply throughout the Company's West Texas Service Area (WTSA), both within the incorporated municipal limits of Andrews, Anthony, Barstow, Clint, Crane, Dell City, El Paso, Horizon City, McCamey, Monahans, Pecos, Pyote, San Elizario, Socorro, Thorntonville, Wickett, Wink and Vinton, Texas (collectively, the WTSA Cities), and in the unincorporated areas (environs) adjacent to the WTSA Cities.</p> <p><b>QUALIFYING EXPENSES</b>                      This Rider applies only to the legally mandated safety testing of the Company's transmission lines in the WTSA under the Pipeline Integrity Safety Testing Program. The operating and maintenance expense items that qualify for recovery under this Rider shall include the contractor costs associated with land and leak survey, permitting, and job order preparation and completion; the clearing of right-of-way; any needed notifications to adjacent businesses and residences; traffic control equipment and personnel; Direct Current Voltage Gradient (DCVG), Close Interval (CI), and other surveys to ensure the integrity of the pipeline system; any required rigid bypasses; flushing of the lines and testing and disposal of the flush water; hydrostatic testing of the lines and analysis and disposal of the test water; any required pigging of the lines in connection with safety testing; any required x-ray welding; metallurgical testing of the pipeline or components thereof; site restoration, painting, and clean-up; expenses associated with providing a supply of compressed natural gas (CNG) to ensure uninterrupted service to customers during testing; and any other operating and maintenance expenses reasonably necessary to safely and effectively perform required safety testing of the Company's pipelines in the WTSA. Neither capital expenditures by the Company, nor the labor cost of TGS employees, shall be recovered under this Rider.</p> <p><b>CALCULATION OF PIT SURCHARGES</b>                      The Pipeline Integrity Testing Surcharges established under this Rider shall be designed so as to recover the Total Testing Expense incurred in the prior year for Pipeline Integrity Safety Testing, and shall be calculated as follows:</p> <p>The Total Annual Testing Expense shall be divided by the estimated average annual usage to produce the annual PIT Surcharge.</p> <p style="text-align: center;">PIT Surcharge = Total Annual Testing Expense                         Estimated Annual Usage</p> <p>Based upon customer data for the prior calendar year and any other relevant factors, the estimated annual usage may be revised annually</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 29201

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	to account for customer growth, and the resulting revised PIT Surcharge shall be applied to each class for the ensuing 12-month recovery period.
	<b>ANNUAL RECONCILIATION</b> After completion of each annual recovery period, the total revenues collected under this Rider for that year shall be reconciled against the revenues previously calculated to be collected for that year, and the PIT Surcharge for each class shall be adjusted upward or downward so that the Company recovers any underrecoveries or refunds any overrecoveries that may have accrued under the Rider, plus monthly interest on those underrecoveries or overrecoveries at the cost of long-term debt approved in the Company's most recent general rate case in which rates were set by the Commission for application to customers in the WTSA Cities. The reconciliation shall be filed with the regulatory authority on or before February 21st of each year, and the regulatory authority shall complete its review of the reconciliation on or before March 21st of each year, so that the Company can implement the reconciled PIT Surcharges beginning with the first billing cycle for April of each succeeding year.
	<b>DEFERRED ACCOUNTING</b> The Company is authorized and directed to defer, as a regulatory asset, all Pipeline Integrity Safety Testing expenses incurred during the testing cycle starting on January 1, 2016 and all revenues specifically collected under this Rider shall be applied to the deferred expense account. The Company shall not earn a return on any regulatory asset created under this provision, and no such regulatory asset shall be included in the Company's invested capital (rate base) for ratemaking purposes.
	<b>ANNUAL REPORT &amp; APPLICABLE PSCC</b> On or before February 21st after each calendar year, the Company shall file a report with the Commission and the WTSA Cities showing all Pipeline Integrity Safety Testing expenses incurred during the previous calendar year and verifying the prior year's collections and any underrecoveries or overrecoveries accruing to date under this Rider. The report shall separately identify and list such expenses by account number and project number. Prior to the effective date of this Rider and on or before February 21st of each succeeding year while this Rider is in effect, the Company shall also file an Addendum to this Rider with the Commission and the WTSA Cities (a) identifying the PIT Surcharges that will be applied during the ensuing 12-month recovery period from April 1st through March 31st, and (b) providing the underlying data and calculations on which each PIT Surcharge for that period is based.
	<b>NOTICE TO AFFECTED CUSTOMERS</b> In addition to the annual report and Addendum to this Rider required above, the Company shall provide, on or before March 31st after each calendar year, written notice to each affected customer of (a) the PIT Surcharge that will be applied during the ensuing 12-month period from April 1st through March 31st, and (b) the effect the PIT Surcharge is expected to have on the average monthly bill for each affected customer class. The written notice shall be provided in both English and Spanish, shall be the only information contained on the piece of paper on which it is printed, and may be provided either by separate mailing or by insert included with the Company's monthly billing statements. The Company shall also file an affidavit annually with the Commission and the WTSA Cities certifying that notice has been provided to customers in this manner. The notice shall be presumed to be complete three calendar days after the date the separate mailing or billing statement is deposited in a postage-paid, properly addressed wrapper in a post office or official depository under care of the United States Postal Service. The initial notice shall be filed with, reviewed, and approved by the regulatory authority, and each subsequent notice shall follow the same format as that of the approved initial notice.
	<b>Meters Read On and After:</b> October 5, 2016 (All Areas Except Incorporated Areas of Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thortonville, Wickett, Wink)  December 1, 2016 (Andrews, Barstow, Crane McCamey, Monahans, Pecos, Pyote, Thortonville, Wickett, Wink)      Supersedes 'Initial Rate'

**RATE ADJUSTMENT PROVISIONS:**  
None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
91570	D	Ccf	\$,0000	10/05/2016	N
<b>DESCRIPTION:</b> All applicable transportation delivery points within Incorporated TGS WEST TEXAS SVC AREA					
<b>Customer</b>	36935	Firm transportation customers in Incorporated areas of WEST TEXAS SVC AREA			

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 29201**

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	
M	Other(with detailed explanation)	Firm Transportation customers in the Incorporated areas of West Texas Svc Area

**TUC APPLICABILITY**

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



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 29314

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 06/26/2018      **RECEIVED DATE:** 04/15/2019

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 03/29/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N      **RRC DOCKET NO:** 10526RC, 10610GRIP, 10703G

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 3/29/19, new PIT Rider rate apprved via GUD 10526 and Rate Sched Pipeline Safety Fee rate is \$1.00/meter billed during April-19 billing cycles.

**OTHER(EXPLAIN):** Eff. 6/26/2018, new Customer Charge rate per 2018 GRIP Filing for CTX Unincorporated Svc Area, approved via GUD 10703, incl. reduced svc rates pursuan

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
37059	Transportation customers in the Unincorporated areas of the CENTRAL TX SVC AREA	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29314
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-ENV-CTX-OS	<p>TEXAS GAS SERVICE COMPANY                      RATE SCHEDULE T-1-ENV                      Central Texas Service Area</p> <p style="text-align: center;">TRANSPORTATION SERVICE RATE</p> <p>APPLICABILITY</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing delivery receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p>AVAILABILITY</p> <p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's unincorporated areas of the Central Texas Service Area distribution system which includes the environs of Austin, Bee Cave, Buda, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills, and Yoakum, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p> <p>COST OF SERVICE RATE</p> <p>During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p> <p>Commercial \$ 250.00 per month                      plus Interim Rate Adjustments \$8.92 (Footnote 1) Total Rate \$258.92</p> <p>Industrial \$ 350.00 per month                      plus Interim Rate Adjustments \$103.62 (Footnote 2) Total Rate \$453.62</p> <p>Public Authority \$ 70.00 per month                      plus Interim Rate Adjustments \$21.49 (Footnote 3) Total Rate \$91.49</p> <p>Public Schools Space Heat \$ 200.00 per month                      plus Interim Rate Adjustments \$21.49 (Footnote 4) Total Rate \$221.49</p> <p>Compressed Natural Gas \$ 75.00 per month                      plus Interim Rate Adjustments \$99.23 (Footnote 5) Total Rate \$174.23</p> <p>Electrical Cogeneration \$ 70.00 per month                      plus Interim Rate Adjustments \$21.49 (Footnote 6) Total Rate \$91.49</p> <p>Plus - All Ccf per monthly billing period listed by customer class as follows:</p> <p>Commercial - \$0.11614 per Ccf (Footnote 7)                      Industrial - \$0.10273 per Ccf (Footnote 8)                      Public Authority - \$0.11541 per Ccf (Footnote 9)                      Public Schools Space Heat - \$0.10012 per Ccf (Footnote 10)                      Compressed Natural Gas - \$0.06684 per Ccf (Footnote 11)</p> <p>Electrical Cogeneration -                      For the First 5,000Ccf/month \$0.07720 per Ccf (Footnote 12)                      For the Next 35,000 Ccf/month \$0.06850 per Ccf (Footnote 13)                      For the Next 60,000 Ccf/month \$0.05524 per Ccf (Footnote 14)                      All Over 100,000 Ccf/month \$0.04016 per Ccf (Footnote 15)</p> <p>ADDITIONAL CHARGES</p> <p>1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.</p> <p>2) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID: 6310</b>	<b>COMPANY NAME: TEXAS GAS SERVICE COMPANY</b>
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<b>TARIFF CODE: DT</b>	<b>RRC TARIFF NO: 29314</b>
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

unincorporated areas of the Central Texas Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.

- 3) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE- ENV).  
 4) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

**SUBJECT TO**

- 1) Tariff T-TERMS, General Terms and Conditions for Transportation.  
 2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.  
 3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

Footnote 1: 2016 IRA - \$5.79 (GUD No.10610) revised to \$5.17 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$3.75 Footnote 2: 2016 IRA - \$65.77 (GUD No.10610) revised to \$58.71 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$44.91  
 Footnote 3: 2016 IRA - \$13.96 (GUD No.10610) revised to \$12.46 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$9.03  
 Footnote 4: 2016 IRA - \$13.96; (GUD No.10610) revised to \$12.46 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$9.03  
 Footnote 5: 2016 IRA - \$60.25 (GUD No.10610) revised to \$53.78 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$45.45  
 Footnote 6: 2016 IRA - \$13.96 (GUD No.10610) revised to \$12.46 (GUD No. 10714); 2017 IRA (GUD No. 10703) - \$9.03  
 Footnote 7: \$0.13174 (GUD No. 10526) revised to \$0.11614 (GUD No. 10714)  
 Footnote 8: \$0.11186 (GUD No. 10526) revised to \$0.10273 (GUD No. 10714)  
 Footnote 9: \$0.12529 (GUD No. 10526) revised to \$0.11541 (GUD No. 10714)  
 Footnote 10: \$0.11000 (GUD No. 10526) revised to \$0.10012 (GUD No. 10714)  
 Footnote 11: \$0.07148 (GUD No. 10526) revised to \$0.06684 (GUD No. 10714)  
 Footnote 12: \$0.08708 (GUD No. 10526) revised to \$0.07720 (GUD No. 10714)  
 Footnote 13: \$0.07838 (GUD No. 10526) revised to \$0.06850 (GUD No. 10714)  
 Footnote 14: \$0.06512 (GUD No. 10526) revised to \$0.05524 (GUD No. 10714)  
 Footnote 15: \$0.05004 (GUD No. 10526) revised to \$0.04016 (GUD No. 10714)

Supersedes Rate Schedule Dated:  
 June 16, 2017 (Unincorporated Areas of  
 the Central Texas Service Area)

Meters Read On and After:  
 June 26, 2018

T-TERMS-CTX-ISOS

TEXAS GAS SERVICE COMPANY  
 Central Texas Service Area  
 RATE SCHEDULE T-TERMS  
 GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE

**1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE**

Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service.

**1.2 DEFINITIONS**

The following definitions shall apply to the indicated words as used in this Tariff:

Adder: Shall mean the Company's incremental cost to purchase natural gas.

Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.

Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.

Commission or The Commission: The Railroad Commission of Texas.

Company: Texas Gas Service Company, a division of ONE Gas, Inc.

Customer: Any person or organization now being billed for gas service whether used by him or her, or by others. Cumulative

Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

Consumption Period: Shall mean a volumetric billing period.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29314
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas. Point of

Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Central Texas Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;

b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;

c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;

d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;

e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;

f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;

g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;

h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29314
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION****1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.
- e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

- a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
- b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
- c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
- d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.
- e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.
- f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.
- g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.
- h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.

**Meters Read On and After:**

October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)

January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)

November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)

**Supersedes Rate Schedules Dated:**

CTX Incomp January 27, 2014 (T-GTC)

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29314
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	CTX Environs January 2, 2003 (T-GEN-ENV)
	STX Environs January 27, 2014 (T-GTC)
	Dripping Springs Environs January 31, 2006 (T-GEN)
	Kyle/Buda Environs April 30, 2008 (T-GEN)
	STX Incorp January 27, 2014 (T-GTC)
	STX Environs January 27, 2014 (T-GTC)
PIT-CTX-ISOS	TEXAS GAS SERVICE COMPANY RATE SCHEDULE PIT Central Texas Service Area PIPELINE INTEGRITY TESTING (PIT) RIDER
	<p><b>PURPOSE</b> The purpose of this Pipeline Integrity Testing Rider is to promote the public interest in pipeline safety by enabling the Company to recover the reasonable and necessary Pipeline Integrity Safety Testing expenses incurred by the Company during the prior year (including contractor costs but excluding the labor cost of TGS employees. These legally mandated operating and maintenance expenses shall be recovered through a separate monthly volumetric charge (the Pipeline Integrity Testing or PIT Surcharge) that shall be shown as a separate line item on the customer's monthly bill and calculated for each customer class as described below. Capital expenditures associated with the Pipeline Integrity Program shall continue to be recovered through base rates and any interim rate adjustments implemented pursuant to Section 104.301 of the Gas Utility Regulatory Act.</p> <p><b>APPLICABILITY</b> This Rider shall be applied to all gas sales and transportation customers within the service territory designated below, except special contract customers.</p> <p><b>TERRITORY</b> This Rider shall apply throughout the Company's Central Texas Service Area (CTSA), both within the incorporated municipal limits of Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley and West Lake Hills and Yoakum, Texas (collectively, the CTSA Cities), and in the unincorporated areas (environs) adjacent to the CTSA Cities.</p> <p><b>QUALIFYING EXPENSES</b> This Rider applies only to the legally mandated safety testing of the Company's transmission lines in the CTSA under the Pipeline Integrity Safety Testing Program. The operating and maintenance expense items that qualify for recovery under this Rider shall include the contractor costs associated with land and leak survey, permitting, and job order preparation and completion; the clearing of right-of-way; any needed notifications to adjacent businesses and residences; traffic control equipment and personnel; Direct Current Voltage Gradient (DCVG), Close Interval (CI), and other surveys to ensure the integrity of the pipeline system; any required rigid bypasses; flushing of the lines and testing and disposal of the flush water; hydrostatic testing of the lines and analysis and disposal of the test water; any required pigging of the lines in connection with safety testing; any required x-ray welding; metallurgical testing of the pipeline or components thereof; site restoration, painting, and clean-up; expenses associated with providing a supply of compressed natural gas (CNG) to ensure uninterrupted service to customers during testing; and any other operating and maintenance expenses reasonably necessary to safely and effectively perform required safety testing of the Company's pipelines in the CTSA. Neither capital expenditures by the Company, nor the labor cost of TGS employees, shall be recovered under this Rider.</p> <p><b>CALCULATION OF PIT SURCHARGES</b> The Pipeline Integrity Testing Surcharges established under this Rider shall be designed so as to recover the Total Testing Expense incurred in the prior year for Pipeline Integrity Safety Testing, and shall be calculated as follows:</p> <p>The Total Annual Testing Expense shall be divided by the estimated average annual usage to produce the annual PIT Surcharge.  <math display="block">\text{PIT Surcharge} = \frac{\text{Total Annual Testing Expense}}{\text{Estimated Annual Usage}}</math></p> <p>Based upon customer data for the prior calendar year and any other relevant factors, the estimated annual usage may be revised annually to account for customer growth, and the resulting revised PIT Surcharge shall be applied to each class for the ensuing 12-month recovery period.</p> <p><b>ANNUAL RECONCILIATION</b> After completion of each annual recovery period, the total revenues collected under this Rider for that year shall be reconciled against the revenues previously calculated to be collected for that year, and the PIT Surcharge for each class shall be adjusted upward or downward so that the Company recovers any underrecoveries or refunds any overrecoveries that may have accrued under the Rider, plus monthly interest on those underrecoveries or overrecoveries at the cost of long-term debt approved in the Company's most recent general rate case in which rates were set by the Commission for application to customers in the CTSA Cities. The reconciliation shall be filed with the regulatory authority on or before February 21st of each year, and the regulatory authority shall complete its review of</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29314
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the reconciliation on or before March 21st of each year, so that the Company can implement the reconciled PIT Surcharges beginning with the first billing cycle for April of each succeeding year.</p> <p><b>DEFERRED ACCOUNTING</b>                      The Company is authorized and directed to defer, as a regulatory asset, all Pipeline Integrity Safety Testing expenses incurred during the testing cycle starting on January 1, 2016 and all revenues specifically collected under this Rider shall be applied to the deferred expense account. The Company shall not earn a return on any regulatory asset created under this provision, and no such regulatory asset shall be included in the Company's invested capital (rate base) for ratemaking purposes.</p> <p><b>ANNUAL REPORT &amp; APPLICABLE PSCC</b>                      On or before February 21st after each calendar year, the Company shall file a report with the Commission and the CTSA Cities showing all Pipeline Integrity Safety Testing expenses incurred during the previous calendar year and verifying the prior year's collections and any underrecoveries or overrecoveries accruing to date under this Rider. The report shall separately identify and list such expenses by account number and project number. Prior to the effective date of this Rider and on or before February 21st of each succeeding year while this Rider is in effect, the Company shall also file an Addendum to this Rider with the Commission and the CTSA Cities (a) identifying the PIT Surcharges that will be applied during the ensuing 12-month recovery period from April 1st through March 31st, and (b) providing the underlying data and calculations on which each PIT Surcharge for that period is based.</p> <p><b>NOTICE TO AFFECTED CUSTOMERS</b>                      In addition to the annual report and Addendum to this Rider required above, the Company shall provide, on or before March 31st after each calendar year, written notice to each affected customer of (a) the PIT Surcharge that will be applied during the ensuing 12-month period from April 1st through March 31st, and (b) the effect the PIT Surcharge is expected to have on the average monthly bill for each affected customer class. The written notice shall be provided in both English and Spanish, shall be the only information contained on the piece of paper on which it is printed, and may be provided either by separate mailing or by insert included with the Company's monthly billing statements. The Company shall also file an affidavit annually with the Commission and the CTSA Cities certifying that notice has been provided to customers in this manner. The notice shall be presumed to be complete three calendar days after the date the separate mailing or billing statement is deposited in a postage-paid, properly addressed wrapper in a post office or official depository under care of the United States Postal Service. The initial notice shall be filed with, reviewed, and approved by the regulatory authority, and each subsequent notice shall follow the same format as that of the approved initial notice.</p> <p>Initial                      Meters Read On and After                      October 26, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)                       January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)                       November 23, 2016 (Unincorporated Areas of the Central Texas Service Area)                      Texas Gas Service Company, a Division of ONE Gas, Inc.                      Central Texas Service Area                      RATE SCHEDULE PIT-RIDER</p>
PIT-Rider-CTX-ISOS	

**PIPELINE INTEGRITY TESTING (PIT) SURCHARGE RIDER**

**A. APPLICABILITY**

The Pipeline Integrity Testing Surcharge (PIT) rate as set forth in Section (B) below is pursuant to Final Order in GUD 10526. This rate shall apply to the following rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. in the incorporated and unincorporated areas of and adjacent to the Central Texas Service Area (CTSA): 10, 20, 30, 40, 48, C-1, CNG-1, T-1, 1Z, 2Z, 3Z, 4Z, 4H, C-1-ENV, CNG-1-ENV and T-1-ENV.

**B. PIT RATE**

\$0.00449 per Ccf

This rate will be in effect until all approved and expended pipeline integrity testing 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. Meters Read On and After March 29, 2019 Initial Rate Schedule

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 29314
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
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PSF-ALL-ISOS-PSAF	Texas Gas Service Company, a Division of ONE Gas, Inc. All Service Areas RATE SCHEDULE PSF
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## PIPELINE SAFETY AND REGULATORY 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 Section 8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.

(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:

(A) the pipeline safety and regulatory program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(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 Section 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) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program fee of \$100 per master meter system no later than June 30 of each year.



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 29314**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(2) The Commission shall send an invoice to each affected natural gas master meter system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory program fee on June 30 each year.</p> <p>(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 paragraph (1) of this subsection.</p> <p>(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:                      (A) the pipeline safety and regulatory program fee amount paid to the Commission;                      (B) the unit rate and total amount of the surcharge billed to each customer;                      (C) the date or dates on which the surcharge was billed to customers; and                      (D) the total amount collected from customers from the surcharge.</p> <p>(d) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.</p> <p>Source Note: The provisions of this Section 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 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947</p> <p>Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018</p>

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
76822	D	Mcf	\$.0000	11/23/2016	Y
<b>DESCRIPTION: **CONFIDENTIAL**</b>					
<b>Customer</b>	37059	Transportation customers in the Unincorporated areas of the CENTRAL TX SVC AREA			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	
M	Other(with detailed explanation)	Firm Transportation customers within the Unincorporated areas of the CENTRAL TX SVC AREA

**TUC APPLICABILITY**

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 31563

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 11/28/2018      **RECEIVED DATE:** 05/02/2019

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 04/29/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:** ORD-NTX-IS A 2018RC

**AMENDMENT(EXPLAIN):** Eff. 4/29/19, Rate Sched EDIT-Rider-NTX-ISOS(Excess Deferred Income Tax Credit) rates to be credited during May-19 billing cycles.

**OTHER(EXPLAIN):** Eff. 11/28/2018 new T-1, T-1-ENV rate scheds and T-TERMS per NTX ISOS RATE CASE approved via Stlmt Agrmt

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
39639	Transportation customers in the Incorporated areas of the NORTH TX SVC AREA	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31563
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
1-1-NTX-IS-COSAdj	<p>Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE 1-1 North Texas Service Area</p> <p style="text-align: center;">COST OF SERVICE ADJUSTMENT CLAUSE</p> <p>A. APPLICABILITY</p> <p>This Cost of Service Adjustment Clause applies to all gas sales and standard transportation rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. (the Company) currently in force in the incorporated areas of the Company's North Texas Service Area. All rate calculations under this tariff shall be made on a North Texas Service Area system wide basis. If, through the implementation of the provisions of this mechanism, it is determined that rates should be decreased or increased, then rates will be adjusted accordingly in the manner set forth herein. The rate adjustments implemented under this mechanism will reflect annual changes in the Company's cost of service and rate base as computed herein.</p> <p>B. EFFECTIVE DATE</p> <p>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 1, with the rate adjustments to be effective for meters read on or after the first billing cycle of August each year. The first filing pursuant to this tariff shall be no later than May 1, 2019 and shall be based on the financial results for the calendar year ending December 31, 2018.</p> <p>C. COMPONENTS OF THE RATE ADJUSTMENT</p> <p>Calculation of the rate adjustment will be based on operating expenses, return on investment, and Federal Income Tax. One half of the rate adjustment shall be included in the monthly Customer Charge and one half shall be included in the volumetric rates of the applicable gas sales and standard transportation rate schedules. The actual percentage change in total calendar year operating expenses shall not exceed three and one-quarter percent (3.25%), provided that the costs for the Company to provide public notice and reimburse City and Company rate case expenses as required herein, shall not be included in calculating the (3.25%) limitation. The Company shall file with each regulatory authority having original jurisdiction over the Company's rates the schedules specified below, by FERC Account, for the prior calendar year period. The schedules will be based upon the Company's audited financial data, as adjusted, and provided in a format that will allow for the same analysis as that undertaken of a Company Statement of Intent filing, and shall include the following information:</p> <p>C.1 Operating Expenses - Operating expenses will be those reported as part of our audited financials that are reconciled to the general ledger and assigned to the North Texas Service Area level (either directly or allocated) in a manner consistent with the most recent North Texas Service Area rate case.</p> <p>The applicable expenses are:</p> <ul style="list-style-type: none"> <li>Depreciation and Amortization Expense (Account Nos. 403-405) *</li> <li>Taxes Other Than FIT (Account No. 408) **</li> <li>Operation and Maintenance Expenses (Account Nos. 850-894, excluding any cost of gas related expenses)</li> <li>Customer Related Expenses (Account Nos. 901-916)</li> <li>Administrative &amp; General Expenses (Account Nos. 920-932)</li> <li>Interest on Customer Deposits (Account No. 431)</li> </ul> <p>This information will be presented with supporting calculations.</p> <p>* Based on the last approved depreciation methods and lives.            ** Includes Texas Franchise Tax. Excludes City Franchise Fees, Gross Receipts, and any other revenue-based tax.</p> <p>All shared expenses allocated to the North Texas Service Area must be supported by workpapers containing the allocated amount, methodology and factors. The Company shall provide additional information for all operating expenses upon request by the regulatory authority during the ninety (90) day review period specified in Section D.</p> <p>C.2 Return on Investment - The rate of return will remain constant at 7.395% which reflects the capital structure and debt cost authorized in the most recent North Texas Service Area rate case and a return on equity of 9.5%. The return on investment is the rate of return multiplied by the rate base balance for the applicable calendar year.</p> <p>The rate base balance is composed of:</p> <ul style="list-style-type: none"> <li>Net Utility Plant in Service at year-end *</li> <li>Plus:</li> <li>Other Rate Base Items:</li> </ul>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31563
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Materials and Supplies Inventories -13-month average  
 Prepayments - 13-month average  
 Prepaid Pension - 13-month average  
 Cash Working Capital - shall be set to zero (\$0)

Less:

Customer Deposits (Account No. 235) at year end  
 Customer Advances (Account No. 252) at year-end  
 Deferred Federal Income Taxes at year-end, adjusted to reflect the federal income tax rate in C.3.

\* Net Utility Plant in Service as shown by FERC account. Gross utility plant in service and accumulated depreciation by account will be shown separately

Supporting information for all rate base items shall be provided to the regulatory authority during the ninety (90) day review period specified in Section D upon request by the regulatory authority.

C.3 Federal Income Tax

Applicable calendar year federal income taxes will be calculated as follows:

Net Taxable Income (applicable calendar-year end rate base multiplied by rate of return from the most recent North Texas Service Area rate case included in Section C.2.)

Less: Interest on Long Term Debt (applicable calendar-year end rate base multiplied by debt cost component of return from the most recent North Texas Service Area rate case)

Multiplied by: Tax Factor  $(0.21 / (1-0.21))$  or 0.26582.

The Tax Factor will be calculated using the federal income tax rate(s) in effect during the period revenues from the COSA will be collected, including newly enacted federal tax rates to the extent such new rates are known at the time of the annual filing.

C.4 Cost of Service Adjustment - The amount to be collected through the Cost of Service Adjustment will be the sum of the amounts from Sections C.1, C.2, and C.3 that total to the revenue requirement, less the calendar year actual non-gas revenue and other revenue (i.e., transportation revenue and service charges), adjusted for the revised Texas Franchise Tax described in Chapter 171 of the Texas Tax Code.

The formula to calculate the Cost of Service Adjustment is:

$[(C.1 \text{ Operating Expenses} + C.2 \text{ Return on Investment} + C.3 \text{ Federal Income Tax} - \text{Actual Non-Gas and Other Revenues})]$  divided by  $(1 - \text{Texas Franchise Tax statutory rate})$

C.5 Cost of Service Adjustment Rate

The Cost of Service Adjustment as calculated in Section C.4 will be allocated among the customer classes in the same manner as the cost of service was allocated among classes of customers in the Company's latest effective rates for the North Texas Service Area. One half of the Cost of Service Adjustment for each customer class will be converted into a per-customer per-month amount to produce the Customer Charge Adjustment Rate. The Customer Charge Adjustment Rate will be one half of the Cost of Service Adjustment as allocated to that class, divided by the average number of bills in each class for the North Texas Service Area. The Customer Charge Adjustment Rate, either an increase or decrease, will be included in the gas sales and standard transportation customer charges. The remaining half of the Cost of Service Adjustment for each customer class will be converted into a per Ccf amount to produce the Volumetric Adjustment Rate. The Volumetric Adjustment Rate will be one half of the Cost of Service Adjustment as allocated to that class, divided by the total annual volumes (Ccf) for each class for the North Texas Service Area. The Volumetric Adjustment Rate, either an increase or decrease, will be included in the gas sales and standard transportation volumetric charges.

C.6 Attestation

A sworn statement shall be filed by the Company's Director of Rates, 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.

C.7 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.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 31563**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>C.8 Notice</p> <p>Notice of the annual Cost of Service Adjustment shall be provided in a form similar to that required under Section 104.103, TEX. UTIL. CODE ANN not later than the 60th day after the date the utility files the COSA with the regulatory authority. The notice to customers shall include the following information:</p> <ul style="list-style-type: none"> <li>a) a description of the proposed revision of rates and schedules;</li> <li>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;</li> <li>c) the service area or areas in which the proposed rate adjustment would apply;</li> <li>d) the date the proposed rate adjustment was filed with the regulatory authority; and</li> <li>e) the Company's address, telephone number, and website where information concerning the proposed cost of service adjustment may be obtained.</li> </ul> <p>D. REGULATORY REVIEW OF ANNUAL RATE ADJUSTMENT</p> <p>The regulatory authority with original jurisdiction will have a period of not less than ninety (90) days within which to review the proposed annual rate adjustment. During the review period, the Company shall provide additional information and supporting documents as requested by the regulatory authority and such information shall be provided within ten (10) working days of the original request.</p> <p>The rate adjustment shall take effect for meters read on or after the first billing cycle of August each year. This Cost of Service Adjustment Rate Schedule does not limit the legal rights and duties of the regulatory authority. The Company's annual rate adjustment will be made in accordance with all applicable laws. If at the end of the ninety (90) day review period, the Company and the regulatory authority with original jurisdiction have not reached an agreement on the proposed Cost of Service Adjustment Rate, the regulatory authority may take action to deny such adjustment or approve a different adjustment. If at the end of the ninety (90) day review period, the regulatory authority takes no action, the proposed Cost of Service Adjustment Rate will be deemed approved.</p> <p>The Company shall have the right to appeal any action by the regulatory authority to the Railroad Commission of Texas not later than the 30th day after the date of the final decision by the regulatory authority. Upon the filing of any appeal, the Company shall have the right to implement its Cost of Service Adjustment Rate, subject to refund.</p> <p>To defray the cost, if any, of regulatory authorities conducting a review of Company's annual rate adjustment, Company shall reimburse the regulatory authorities for their reasonable expenses for such review. Any reimbursement contemplated hereunder shall be deemed a reasonable and necessary operating expense of the Company in the year in which the reimbursement is made.</p> <p>A regulatory authority seeking reimbursement under this provision shall submit its request for reimbursement to the Company following the final approval of the COSA but no later than October 1 of the year in which the adjustment is made. The Company shall reimburse the regulatory authorities in accordance with this provision no later than thirty (30) days of receiving the request for reimbursement.</p> <p style="text-align: right;">Meters Read On and After November 28, 2018</p> <p>Initial Rate Schedule Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE EDIT-RIDER North Texas Service Area</p> <p style="text-align: center;">EXCESS DEFERRED INCOME TAX CREDIT</p> <p>A. APPLICABILITY</p> <p>This Excess Deferred Income Tax Credit applies to all general service rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc., currently in force in the Company's North Texas Service Area within the incorporated and unincorporated areas of Aledo, Breckenridge, Bryson, Graford, Graham, Jacksboro, Jermyn, Hudson Oaks, Millsap, Mineral Wells, Palo Pinto, Perrin, Possum Kingdom, Punkin Center, Weatherford, Whitt, and Willow Park, Texas including Rate Schedules 10, 20, 30, 40, 1Z, 2Z, 3Z, 4Z, T-1 and T-1-ENV.</p> <p>B. CALCULATION OF CREDIT</p> <p>The annual amortization of the regulatory liability for excess deferred income taxes resulting from the Tax Cuts and Jobs Act of 2017 and in compliance with GUD No. 10695, will be credited to customers annually on a one-time, per bill basis and will show as a separate line item on the customer's bill until fully amortized.</p> <p>EDIT CREDIT - The total amount, if any, of the credit in a given year will be determined by: The average rate assumption method (ARAM) as required by the Tax Cuts and Jobs Act of 2017 Section 13001(d) for protected property; and</p>

EDIT-Rider-NTX-ISO

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 31563**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																																								
	A 10-year amortization for nonprotected property.																																								
	TRUE-UP ADJUSTMENT - The Excess Deferred Income Tax credit shall be trued-up annually. The True-Up Adjustment will be the difference between the amount of that year's EDIT Credit and the amount actually credited to customers.																																								
	EDIT CREDIT PER CUSTOMER - The EDIT credit per customer will be determined by allocating that year's credit, plus/minus any prior year true up adjustment, among the customer classes utilizing the same class revenue allocation as approved in the most recent general rate case, and then by dividing each class's portion by the number of customers in that class.																																								
	C. EDIT CREDIT PER CUSTOMER Residential: \$ 9.24 Commercial: \$ 44.75 Industrial: \$299.02 Public Authority: \$ 92.17																																								
	Taxes: Plus applicable taxes and fees (including franchises fees) related to above.																																								
	D. OTHER ADJUSTMENTS  Taxes: Plus applicable taxes and fees (including franchise fees) related to above.																																								
	E. ANNUAL FILING  The Company shall make a filing each year no later than December 31, including the following information: a. the total dollar amount of that year's EDIT Credit; b. the total dollar amount actually credited to customers; c. true-up amount, if any, due to the difference between items a. and b., above; d. the amount of the upcoming year's EDIT Credit; and e. the amounts of the upcoming year's EDIT Credit Per Customer.																																								
	F. CONDITIONS  Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.																																								
ORD-NTX-IS A	Meters Read On and After April 29, 2019 Supersedes Same Rate Schedule Dated November 28, 2018 Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE ORD-NTX North Texas Service Area																																								
	<b>CITY ORDINANCE LISTING</b>																																								
	<b>APPLICABILITY</b> Applicable to all gas sales and standard transport customers.																																								
	<b>TERRITORY</b> All customers in the incorporated areas of the North Texas Service Area which include Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Millsap, Mineral Wells, Weatherford and Willow Park, Texas.																																								
	<b>DESCRIPTION</b> Per the TGS Statement of Intent filed 6/20/2018 and the GUD 10739 Unanimous Settlement Agreement signed by TGS and the RRC on October 3, 2018, the following cities approved new rates for gas sales and transportation service customers in the incorporated North Texas service area via ordinances listed below.																																								
	<table border="1"> <thead> <tr> <th>City</th> <th>Ordinance #</th> <th>Date Ordinance Passed</th> <th>Effective Date of Gas Sales and Standard Transport Rate Schedules</th> </tr> </thead> <tbody> <tr> <td>Aledo</td> <td>2018-103</td> <td>11/15/2018</td> <td>11/28/2018</td> </tr> <tr> <td>Breckenridge</td> <td>18-18</td> <td>11/6/2018</td> <td>11/28/2018</td> </tr> <tr> <td>Bryson</td> <td>O-2018-02</td> <td>11/12/2018</td> <td>11/28/2018</td> </tr> <tr> <td>Graford</td> <td>2018-6</td> <td>11/13/2018</td> <td>11/28/2018</td> </tr> <tr> <td>Graham</td> <td>1076</td> <td>11/1/2018</td> <td>11/28/2018</td> </tr> <tr> <td>Hudson Oaks</td> <td>2018-21</td> <td>12/13/2018</td> <td>11/28/2018</td> </tr> <tr> <td>Jacksboro</td> <td>O-21-18</td> <td>10/22/2018</td> <td>11/28/2018</td> </tr> <tr> <td>Millsap</td> <td>18-04-01</td> <td>12/4/2018</td> <td>11/28/2018</td> </tr> <tr> <td>Mineral Wells</td> <td>2018-21</td> <td>11/6/2018</td> <td>11/28/2018</td> </tr> </tbody> </table>	City	Ordinance #	Date Ordinance Passed	Effective Date of Gas Sales and Standard Transport Rate Schedules	Aledo	2018-103	11/15/2018	11/28/2018	Breckenridge	18-18	11/6/2018	11/28/2018	Bryson	O-2018-02	11/12/2018	11/28/2018	Graford	2018-6	11/13/2018	11/28/2018	Graham	1076	11/1/2018	11/28/2018	Hudson Oaks	2018-21	12/13/2018	11/28/2018	Jacksboro	O-21-18	10/22/2018	11/28/2018	Millsap	18-04-01	12/4/2018	11/28/2018	Mineral Wells	2018-21	11/6/2018	11/28/2018
City	Ordinance #	Date Ordinance Passed	Effective Date of Gas Sales and Standard Transport Rate Schedules																																						
Aledo	2018-103	11/15/2018	11/28/2018																																						
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Graham	1076	11/1/2018	11/28/2018																																						
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Jacksboro	O-21-18	10/22/2018	11/28/2018																																						
Millsap	18-04-01	12/4/2018	11/28/2018																																						
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## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31563
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Weatherford	945-2018-60	12/11/2018	11/28/2018
Willow Park	783-18	11/13/2018	11/28/2018

PSF-ALL-ISOS-PSAF

Meters Read On and After November 28, 2018 Initial Rate Schedule  
 Texas Gas Service Company, a Division of ONE Gas, Inc.  
 All Service Areas  
 RATE SCHEDULE PSF

## PIPELINE SAFETY AND REGULATORY 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 Section 8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.

(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and
- (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:

- (A) the pipeline safety and regulatory program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (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 Section 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.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 31563**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(c) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.</p> <p>(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program fee of \$100 per master meter system no later than June 30 of each year.</p> <p>(2) The Commission shall send an invoice to each affected natural gas master meter system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory program fee on June 30 each year.</p> <p>(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 paragraph (1) of this subsection.</p> <p>(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:</p> <p>(A) the pipeline safety and regulatory program fee amount paid to the Commission;</p> <p>(B) the unit rate and total amount of the surcharge billed to each customer;</p> <p>(C) the date or dates on which the surcharge was billed to customers; and</p> <p>(D) the total amount collected from customers from the surcharge.</p> <p>(d) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.</p> <p>Source Note: The provisions of this Section 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 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947</p>

T-TERMS-NTX-ISOS

Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018  
 Texas Gas Service Company, a Division of ONE Gas, Inc.                      RATE SCHEDULE T-TERMS  
 North Texas Service Area

**GENERAL TERMS AND CONDITIONS  
 FOR TRANSPORTATION SERVICE**

1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service. This rate schedule shall apply to customers who have elected Transportation Service through the Company's North Texas distribution system which includes the incorporated and unincorporated areas of Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Millsap, Mineral Wells, Weatherford, Willow Park, Texas and the unincorporated cities of Jermyn, Palo Pinto, Perrin, Possum Kingdom, Punkin Center and Whitt, Texas.

1.2 DEFINITIONS

The following definitions shall apply to the indicated words as used in this Tariff:

- Adder: Shall mean the Company's incremental cost to purchase natural gas.
- Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.
- Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.

Commission or The Commission: The Railroad Commission of Texas.



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31563
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Company: Texas Gas Service Company, a Division of ONE Gas, Inc.

Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.

Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

Consumption Period: Shall mean a volumetric billing period.

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.

Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the North Texas Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday. Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31563
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>zero (0) imbalance as practicable.</p> <p>e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.</p> <p>1.6 IMBALANCES</p> <p>Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p> <p>Initial Rate Schedule</p> <p>Meters Read On and After November 28, 2018</p> <p>Texas Gas Service Company, a Division of ONE Gas, Inc.                      RATE SCHEDULE PIT</p> <p>North Texas Service Area</p> <p style="text-align: center;">PIPELINE INTEGRITY TESTING (PIT) RIDER</p> <p>PURPOSE</p> <p>The purpose of this Pipeline Integrity Testing Rider is to promote the public interest in pipeline safety by enabling the Company to recover the reasonable and necessary Pipeline Integrity Safety Testing expenses incurred by the Company during the prior year (including contractor costs but excluding the labor cost of TGS employees. These legally mandated operating and maintenance expenses shall be recovered through a separate monthly volumetric charge (the Pipeline Integrity Testing or PIT Surcharge) that shall be shown as a separate line item on the customer's monthly bill and calculated for each customer class as described below. Capital expenditures associated with the Pipeline Integrity Program shall continue to be recovered through base rates and any interim rate adjustments implemented pursuant to Section 104.301 of the Gas Utility Regulatory Act.</p>
PIT-NTX-ISOS	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

## APPLICABILITY

This Rider shall be applied to all gas sales and transportation customers within the service territory designated below, except special contract customers.

**TERRITORY** This Rider shall apply throughout the Company's North Texas Service Area (NTSA), both within the incorporated and unincorporated areas of Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Millsap, Mineral Wells, Weatherford, Willow Park, Texas, and the unincorporated cities of Jermyn, Palo Pinto, Perrin, Possum Kingdom, Punkin Center, and Whitt, Texas.

## QUALIFYING EXPENSES

This Rider applies only to the legally mandated safety testing of the Company's transmission lines in the NTSA under the Pipeline Integrity Safety Testing Program. The operating and maintenance expense items that qualify for recovery under this Rider shall include the contractor costs associated with land and leak survey, permitting, and job order preparation and completion; the clearing of right-of-way; any needed notifications to adjacent businesses and residences; traffic control equipment and personnel; Direct Current Voltage Gradient (DCVG), Close Interval (CI), and other surveys to ensure the integrity of the pipeline system; any required rigid bypasses; flushing of the lines and testing and disposal of the flush water; hydrostatic testing of the lines and analysis and disposal of the test water; any required pigging of the lines in connection with safety testing; any required x-ray welding; metallurgical testing of the pipeline or components thereof; site restoration, painting, and clean-up; expenses associated with providing a supply of compressed natural gas (CNG) to ensure uninterrupted service to customers during testing; and any other operating and maintenance expenses reasonably necessary to safely and effectively perform required safety testing of the Company's pipelines in the NTSA. Neither capital expenditures by the Company, nor the labor cost of TGS employees, shall be recovered under this Rider.

## CALCULATION OF PIT SURCHARGES

The Pipeline Integrity Testing Surcharges established under this Rider shall be designed so as to recover the Total Testing Expense incurred in the prior year for Pipeline Integrity Safety Testing, and shall be calculated as follows:

The Total Annual Testing Expense shall be divided by the estimated average annual usage to produce the annual PIT Surcharge.

$$\text{PIT Surcharge} = \frac{\text{Total Annual Testing Expense}}{\text{Estimated Annual Usage}}$$

Based upon customer data for the prior calendar year and any other relevant factors, the estimated annual usage may be revised annually to account for customer growth, and the resulting revised PIT Surcharge shall be applied to each class for the ensuing 12-month recovery period.

## ANNUAL RECONCILIATION

After completion of each annual recovery period, the total revenues collected under this Rider for that year shall be reconciled against the revenues previously calculated to be collected for that year, and the PIT Surcharge for each class shall be adjusted upward or downward so that the Company recovers any under-recoveries or refunds any over-recoveries that may have accrued under the Rider, plus monthly interest on those under-recoveries or over-recoveries at the cost of long-term debt approved in the Company's most recent general rate case in which rates were set by the Commission for application to customers in the NTSA Cities. The reconciliation shall be filed with the regulatory authority on or before February 21st of each year, and the regulatory authority shall complete its review of the reconciliation on or before March 21st of each year, so that the Company can implement the reconciled PIT Surcharges beginning with the first billing cycle for April of each succeeding year.

## DEFERRED ACCOUNTING

The Company is authorized and directed to defer, as a regulatory asset, all Pipeline Integrity Safety Testing expenses incurred during the testing cycle starting on January 1, 2016 and all revenues specifically collected under this Rider shall be applied to the deferred expense account. The Company shall not earn a return on any regulatory asset created under this provision, and no such regulatory asset shall be included in the Company's invested capital (rate base) for ratemaking purposes.

## ANNUAL REPORT &amp; APPLICABLE PSCC

On or before February 21st after each calendar year, the Company shall file a report with the Commission and the NTSA Cities showing all Pipeline Integrity Safety Testing expenses incurred during the previous calendar year and verifying the prior year's collections and any under-recoveries or over-recoveries accruing to date under this Rider. The report shall separately identify and list such expenses by account number and project number. Prior to the effective date of this Rider and on or before February 21st of each succeeding year while this Rider is in effect, the Company shall also file an Addendum to this Rider with the Commission and the NTSA Cities (a) identifying the PIT Surcharges that will be applied during the ensuing 12-month recovery period from April 1st through March 31st, and (b) providing the underlying data and calculations on which each PIT Surcharge for that period is based.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

## NOTICE TO AFFECTED CUSTOMERS

In addition to the annual report and Addendum to this Rider required above, the Company shall provide, on or before March 31st after each calendar year, written notice to each affected customer of (a) the PIT Surcharge that will be applied during the ensuing 12-month period from April 1st through March 31st, and (b) the effect the PIT Surcharge is expected to have on the average monthly bill for each affected customer class. The written notice shall be provided in both English and Spanish, shall be the only information contained on the piece of paper on which it is printed, and may be provided either by separate mailing or by insert included with the Company's monthly billing statements. The Company shall also file an affidavit annually with the Commission and the NTSA Cities certifying that notice has been provided to customers in this manner. The notice shall be presumed to be complete three calendar days after the date the separate mailing or billing statement is deposited in a postage-paid, properly addressed wrapper in a post office or official depository under care of the United States Postal Service. The initial notice shall be filed with, reviewed, and approved by the regulatory authority, and each subsequent notice shall follow the same format as that of the approved initial notice.

## Initial Rate Schedule

Meters Read On and After November 28, 2018

T-1-NTX-IS

Texas Gas Service Company, a Division of ONE Gas, Inc.  
North Texas Service Area

RATE SCHEDULE T-1

## TRANSPORTATION SERVICE RATE

## APPLICABILITY

Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule.

Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.

## AVAILABILITY

Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's North Texas distribution system which includes the incorporated areas of Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Millsap, Mineral Wells, Weatherford, and Willow Park, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.

## COST OF SERVICE RATE

During each monthly billing period, a customer charge per meter per month listed by customer class as follows:

All Classes \$ 250.00 per month

Plus - All Ccf per monthly billing period listed by customer class as follows:

Commercial - \$0.57978 per Ccf

Industrial - \$0.55395 per Ccf

Public Authority - \$0.54101 per Ccf

## ADDITIONAL CHARGES

1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.

2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.

3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the North Texas Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.

4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider RCE.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 31563**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.
	6) The billing shall reflect adjustments in accordance with provisions of the Excess Deferred Income Taxes Rider, Rate Schedule EDIT Rider.
	SUBJECT TO
	1) Tariff T-TERMS, General Terms and Conditions for Transportation.
	2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
	3) 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 November 28, 2018

**RATE ADJUSTMENT PROVISIONS:**

See 1-1-NTX-IS-COSAdj rate adjustment provision

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
108806	D	Ccf	\$.0000	11/28/2018	N
<b>DESCRIPTION:</b> All applicable transportation delivery points within Incorporated TGS NORTH TEXAS SVC AREA					
<b>Customer</b>	39639	Transportation customers in the Incorporated areas of the NORTH TX SVC AREA			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	
M	Other(with detailed explanation)	Firm Transportation customers within the Incorporated areas of the North TX SVC AREA

**TUC APPLICABILITY**

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 31564

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 11/28/2018                      **RECEIVED DATE:** 05/02/2019

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 04/29/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:** 10739RC

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 4/29/19, Rate Sched EDIT-Rider-NTX-ISOS(Excess Deferred Income Tax Credit) rates to be credited during May-19 billing cycles.

**OTHER(EXPLAIN):** Eff. 11/28/2018 new T-1, T-1-ENV rate scheds and T-TERMS per NTX ISOS RATE CASE approved via GUD 10739

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
39638	Transportation customers in the Unincorporated areas of the NORTH TX SVC AREA	N	

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31564
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
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PSF-ALL-ISOS-PSAF	Texas Gas Service Company, a Division of ONE Gas, Inc. All Service Areas RATE SCHEDULE PSF
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## PIPELINE SAFETY AND REGULATORY 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 Section 8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.

(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and
- (E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:

- (A) the pipeline safety and regulatory program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (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 Section 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) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program fee of \$100 per master meter system no later than June 30 of each year.



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31564
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

(2) The Commission shall send an invoice to each affected natural gas master meter system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory 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 paragraph (1) of this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:

- (A) the pipeline safety and regulatory program fee amount paid to the Commission;
- (B) the unit rate and total amount of the surcharge billed to each customer;
- (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) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.

Source Note: The provisions of this Section 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 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947

Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018  
 Texas Gas Service Company, a Division of ONE Gas, Inc. North Texas Service Area  
 RATE SCHEDULE RCE - ENV

RCE-Rider-NTX-OS

**RATE CASE EXPENSE SURCHARGE****A. APPLICABILITY**

The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 10739 Statement of Intent of Texas Gas Service, a Division of ONE Gas, Inc. to Increase Gas Utility Rates Within the Unincorporated Areas of the North Texas Service Area, Final Order Finding of Fact No. 58-64. This rate shall apply to the following rate schedules of Texas Gas Service, a Division of ONE Gas, Inc. in the following unincorporated Areas of Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Jermyn, Millsap, Mineral Wells, Palo Pinto, Perrin, Possum Kingdom, Punkin Center, Weatherford, Whitt and Willow Park, Texas: 1A, 2A, 3A, 4A, and T-1-ENV.

**B. RCE RATE**

All Ccf during each billing period: \$0.02715 per Ccf

This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. Texas Gas Service, a Division of ONE Gas, Inc. will recover \$37,715 in actual expense and up to \$50,000 in estimated expense, not to exceed actual expense. The Rate Case Expense Surcharge will be a separate line item on the bill.

**C. OTHER ADJUSTMENTS**

Taxes: Plus applicable taxes and 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.

**E. COMPLIANCE**

The Company shall file an annual rate case expense reconciliation report within ninety (90) days after each calendar year end until and including the calendar year end in which the rate case expenses are fully recovered. The Company shall file the report with the Commission addressed to the Director of Oversight and Safety Division, Gas Services Department and referencing Gas Utilities Docket No. 10739. Rate Case Expense Recovery Report. The report shall detail the monthly collections for RCE surcharge by customer class and show the outstanding balance. Reports for the Commission should be filed electronically at GUD\_Compliance@rrc.texas.gov or at the following address:

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31564
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Compliance Filing Director of Oversight and Safety Division Gas Services Dept. Railroad Commission of Texas P.O. Box 12967 Austin, TX 78711-2967
T-1-ENV-NTX-OS	Meters Read On and After January 30, 2019 Initial Rate Schedule Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE T-1-ENV North Texas Service Area

TRANSPORTATION SERVICE RATE

APPLICABILITY

Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system. AVAILABILITY Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's North Texas distribution system which includes the unincorporated areas of Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Jermyn, Millsap, Mineral Wells, Palo Pinto, Perrin, Possum Kingdom, Punkin Center, Weatherford, Whitt, and Willow Park, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.

COST OF SERVICE RATE

During each monthly billing period, a customer charge per meter per month listed by customer class as follows:

All Classes \$250.00 per month

Plus - All Ccf per monthly billing period listed by customer class as follows:

- Commercial - \$0.57978 per Ccf
- Industrial - \$0.55395 per Ccf
- Public Authority - \$0.54101 per Ccf

ADDITIONAL CHARGES

- 1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
- 2) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the North Texas Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.
- 3) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE-ENV).
- 4) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.
- 5) The billing shall reflect adjustments in accordance with provisions of the Excess Deferred Income Taxes Rider, Rate Schedule EDIT Rider.

SUBJECT TO

- 1) Tariff T-TERMS, General Terms and Conditions for Transportation.
- 2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID: 6310</b>	<b>COMPANY NAME: TEXAS GAS SERVICE COMPANY</b>
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<b>TARIFF CODE: DT</b>	<b>RRC TARIFF NO: 31564</b>
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
EDIT-Rider-NTX-ISO	<p>customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.</p> <p>3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Initial Rate Schedule</p> <p>Meters Read On and After November 28, 2018</p> <p>Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE EDIT-RIDER North Texas Service Area</p> <p style="text-align: center;">EXCESS DEFERRED INCOME TAX CREDIT</p> <p>A. APPLICABILITY</p> <p>This Excess Deferred Income Tax Credit applies to all general service rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc., currently in force in the Company's North Texas Service Area within the incorporated and unincorporated areas of Aledo, Breckenridge, Bryson, Graford, Graham, Jacksboro, Jermyn, Hudson Oaks, Millsap, Mineral Wells, Palo Pinto, Perrin, Possum Kingdom, Punkin Center, Weatherford, Whitt, and Willow Park, Texas including Rate Schedules 10, 20, 30, 40, 1Z, 2Z, 3Z, 4Z, T-1 and T-1-ENV.</p> <p>B. CALCULATION OF CREDIT</p> <p>The annual amortization of the regulatory liability for excess deferred income taxes resulting from the Tax Cuts and Jobs Act of 2017 and in compliance with GUD No. 10695, will be credited to customers annually on a one-time, per bill basis and will show as a separate line item on the customer's bill until fully amortized.</p> <p>EDIT CREDIT - The total amount, if any, of the credit in a given year will be determined by: The average rate assumption method (ARAM) as required by the Tax Cuts and Jobs Act of 2017 Section 13001(d) for protected property; and A 10-year amortization for nonprotected property.</p> <p>TRUE-UP ADJUSTMENT - The Excess Deferred Income Tax credit shall be true-up annually. The True-Up Adjustment will be the difference between the amount of that year's EDIT Credit and the amount actually credited to customers.</p> <p>EDIT CREDIT PER CUSTOMER - The EDIT credit per customer will be determined by allocating that year's credit, plus/minus any prior year true up adjustment, among the customer classes utilizing the same class revenue allocation as approved in the most recent general rate case, and then by dividing each class's portion by the number of customers in that class.</p> <p>C. EDIT CREDIT PER CUSTOMER</p> <p>Residential: \$ 9.24 Commercial: \$ 44.75 Industrial: \$299.02 Public Authority: \$ 92.17</p> <p>Taxes: Plus applicable taxes and fees (including franchises fees) related to above.</p> <p>D. OTHER ADJUSTMENTS</p> <p>Taxes: Plus applicable taxes and fees (including franchise fees) related to above.</p> <p>E. ANNUAL FILING</p> <p>The Company shall make a filing each year no later than December 31, including the following information:</p> <ol style="list-style-type: none"> <li>the total dollar amount of that year's EDIT Credit;</li> <li>the total dollar amount actually credited to customers;</li> <li>true-up amount, if any, due to the difference between items a. and b., above;</li> <li>the amount of the upcoming year's EDIT Credit; and</li> <li>the amounts of the upcoming year's EDIT Credit Per Customer.</li> </ol> <p>F. CONDITIONS</p> <p>Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31564
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PIT-NTX-ISOS	<p>Meters Read On and After April 29, 2019 Supersedes Same Rate Schedule Dated November 28, 2018                      Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE PIT                      North Texas Service Area</p> <p style="text-align: center;"><b>PIPELINE INTEGRITY TESTING (PIT) RIDER</b></p> <p><b>PURPOSE</b></p> <p>The purpose of this Pipeline Integrity Testing Rider is to promote the public interest in pipeline safety by enabling the Company to recover the reasonable and necessary Pipeline Integrity Safety Testing expenses incurred by the Company during the prior year (including contractor costs but excluding the labor cost of TGS employees. These legally mandated operating and maintenance expenses shall be recovered through a separate monthly volumetric charge (the Pipeline Integrity Testing or PIT Surcharge) that shall be shown as a separate line item on the customer's monthly bill and calculated for each customer class as described below. Capital expenditures associated with the Pipeline Integrity Program shall continue to be recovered through base rates and any interim rate adjustments implemented pursuant to Section 104.301 of the Gas Utility Regulatory Act.</p> <p><b>APPLICABILITY</b></p> <p>This Rider shall be applied to all gas sales and transportation customers within the service territory designated below, except special contract customers.</p> <p><b>TERRITORY</b> This Rider shall apply throughout the Company's North Texas Service Area (NTSA), both within the incorporated and unincorporated areas of Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Millsap, Mineral Wells, Weatherford, Willow Park, Texas, and the unincorporated cities of Jermyn, Palo Pinto, Perrin, Possum Kingdom, Punkin Center, and Whitt, Texas.</p> <p><b>QUALIFYING EXPENSES</b></p> <p>This Rider applies only to the legally mandated safety testing of the Company's transmission lines in the NTSA under the Pipeline Integrity Safety Testing Program. The operating and maintenance expense items that qualify for recovery under this Rider shall include the contractor costs associated with land and leak survey, permitting, and job order preparation and completion; the clearing of right-of-way; any needed notifications to adjacent businesses and residences; traffic control equipment and personnel; Direct Current Voltage Gradient (DCVG), Close Interval (CI), and other surveys to ensure the integrity of the pipeline system; any required rigid bypasses; flushing of the lines and testing and disposal of the flush water; hydrostatic testing of the lines and analysis and disposal of the test water; any required pigging of the lines in connection with safety testing; any required x-ray welding; metallurgical testing of the pipeline or components thereof; site restoration, painting, and clean-up; expenses associated with providing a supply of compressed natural gas (CNG) to ensure uninterrupted service to customers during testing; and any other operating and maintenance expenses reasonably necessary to safely and effectively perform required safety testing of the Company's pipelines in the NTSA. Neither capital expenditures by the Company, nor the labor cost of TGS employees, shall be recovered under this Rider.</p> <p><b>CALCULATION OF PIT SURCHARGES</b></p> <p>The Pipeline Integrity Testing Surcharges established under this Rider shall be designed so as to recover the Total Testing Expense incurred in the prior year for Pipeline Integrity Safety Testing, and shall be calculated as follows:</p> <p>The Total Annual Testing Expense shall be divided by the estimated average annual usage to produce the annual PIT Surcharge.</p> $\text{PIT Surcharge} = \frac{\text{Total Annual Testing Expense}}{\text{Estimated Annual Usage}}$ <p>Based upon customer data for the prior calendar year and any other relevant factors, the estimated annual usage may be revised annually to account for customer growth, and the resulting revised PIT Surcharge shall be applied to each class for the ensuing 12-month recovery period.</p> <p><b>ANNUAL RECONCILIATION</b></p> <p>After completion of each annual recovery period, the total revenues collected under this Rider for that year shall be reconciled against the revenues previously calculated to be collected for that year, and the PIT Surcharge for each class shall be adjusted upward or downward so that the Company recovers any under-recoveries or refunds any over-recoveries that may have accrued under the Rider, plus monthly interest on those under-recoveries or over-recoveries at the cost of long-term debt approved in the Company's most recent general rate case in which rates were set by the Commission for application to customers in the NTSA Cities. The reconciliation shall be filed with the regulatory authority on or before February 21st of each year, and the regulatory authority shall complete its review of the reconciliation on or before March 21st of each year, so that the Company can implement the reconciled PIT Surcharges beginning</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31564
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	with the first billing cycle for April of each succeeding year.
	DEFERRED ACCOUNTING
	The Company is authorized and directed to defer, as a regulatory asset, all Pipeline Integrity Safety Testing expenses incurred during the testing cycle starting on January 1, 2016 and all revenues specifically collected under this Rider shall be applied to the deferred expense account. The Company shall not earn a return on any regulatory asset created under this provision, and no such regulatory asset shall be included in the Company's invested capital (rate base) for ratemaking purposes.
	ANNUAL REPORT & APPLICABLE PSCC
	On or before February 21st after each calendar year, the Company shall file a report with the Commission and the NTSA Cities showing all Pipeline Integrity Safety Testing expenses incurred during the previous calendar year and verifying the prior year's collections and any under-recoveries or over-recoveries accruing to date under this Rider. The report shall separately identify and list such expenses by account number and project number. Prior to the effective date of this Rider and on or before February 21st of each succeeding year while this Rider is in effect, the Company shall also file an Addendum to this Rider with the Commission and the NTSA Cities (a) identifying the PIT Surcharges that will be applied during the ensuing 12-month recovery period from April 1st through March 31st, and (b) providing the underlying data and calculations on which each PIT Surcharge for that period is based.
	NOTICE TO AFFECTED CUSTOMERS
	In addition to the annual report and Addendum to this Rider required above, the Company shall provide, on or before March 31st after each calendar year, written notice to each affected customer of (a) the PIT Surcharge that will be applied during the ensuing 12-month period from April 1st through March 31st, and (b) the effect the PIT Surcharge is expected to have on the average monthly bill for each affected customer class. The written notice shall be provided in both English and Spanish, shall be the only information contained on the piece of paper on which it is printed, and may be provided either by separate mailing or by insert included with the Company's monthly billing statements. The Company shall also file an affidavit annually with the Commission and the NTSA Cities certifying that notice has been provided to customers in this manner. The notice shall be presumed to be complete three calendar days after the date the separate mailing or billing statement is deposited in a postage-paid, properly addressed wrapper in a post office or official depository under care of the United States Postal Service. The initial notice shall be filed with, reviewed, and approved by the regulatory authority, and each subsequent notice shall follow the same format as that of the approved initial notice.
T-TERMS-NTX-ISOS	Initial Rate Schedule Meters Read On and After November 28, 2018 Texas Gas Service Company, a Division of ONE Gas, Inc.      RATE SCHEDULE T-TERMS North Texas Service Area
	<b>GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</b>
	1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service. This rate schedule shall apply to customers who have elected Transportation Service through the Company's North Texas distribution system which includes the incorporated and unincorporated areas of Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Millsap, Mineral Wells, Weatherford, Willow Park, Texas and the unincorporated cities of Jermyn, Palo Pinto, Perrin, Possum Kingdom, Punkin Center and Whitt, Texas.
	1.2 DEFINITIONS
	The following definitions shall apply to the indicated words as used in this Tariff:
	Adder: Shall mean the Company's incremental cost to purchase natural gas.
	Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.
	Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.
	Commission or The Commission: The Railroad Commission of Texas.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31564
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Company: Texas Gas Service Company, a Division of ONE Gas, Inc.

Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.

Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

Consumption Period: Shall mean a volumetric billing period.

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month.

Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.

Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.

Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the North Texas Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday. Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to

GAS SERVICES DIVISION

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**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 31564**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	zero (0) imbalance as practicable.
	e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.
	<b>1.6 IMBALANCES</b>
	Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.
	a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.
	b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.
	c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.
	d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.
	e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.
	f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.
	g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.
	h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.
	 Initial Rate Schedule  Meters Read On and After November 28, 2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
108807	D	Ccf	\$.0000	11/28/2018	N
<b>DESCRIPTION:</b> All applicable transportation delivery points within Unincorporated TGS NORTH TEXAS SVC AREA					
<b>Customer</b>	39638	Transportation customers in the Unincorporated areas of the NORTH TX SVC AREA			



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 31564**

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	
M	Other(with detailed explanation)	Firm Transportation customers within the Unincorporated areas of the North TX SVC AREA

**TUC APPLICABILITY**

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 31836

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 12/31/2018                      **RECEIVED DATE:** 05/02/2019

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

**INACTIVE DATE:**                      **AMENDMENT DATE:** 04/29/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:** R-024-18; 2018-12-11

**AMENDMENT(EXPLAIN):** Eff. 4/29/19, Rate Sched EDIT-Rider-BSSA-ISOS(Excess Deferred Income Tax Credit) rates to be credited during May-19 billing cycles.

**OTHER(EXPLAIN):** Eff. 12/31/2018, new T-1 rate sched and T-TERMS per BSSA IS RATE CASE apprvd via Stlmt Agrmt, Ords

**PREPARER - PERSON FILING**

**RRC NO:** 971                      **ACTIVE FLAG:** Y                      **INACTIVE DATE:**

**FIRST NAME:** Christy                      **MIDDLE:**                      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin                      **STATE:** TX                      **ZIP:** 78746                      **ZIP4:**

**AREA CODE:** 512                      **PHONE NO:** 370-8280                      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
39715	Transportation customers in the Inc areas of the BORGER/SKELLYTOWN SVC AREA	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 31836**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
EDIT-Rider-BSSA-ISO	<p>Texas Gas Service Company, a Division of ONE Gas, Inc.                      RATE SCHEDULE EDIT-RIDER Borger/Skellytown Service Area</p> <p style="text-align: center;">EXCESS DEFERRED INCOME TAX CREDIT</p> <p>A. APPLICABILITY</p> <p>This Excess Deferred Income Tax Credit applies to all general service rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc., currently in force in the Company's Borger/Skellytown Service Area within the incorporated and unincorporated areas of Borger and Skellytown, Texas including Rate Schedules 10, 20, 40, 48, 1Z, 2Z, 4Z, 4H, T-1 and T-1-ENV.</p> <p>B. CALCULATION OF CREDIT</p> <p>The annual amortization of the regulatory liability for excess deferred income taxes resulting from the Tax Cuts and Jobs Act of 2017 and in compliance with GUD No. 10695, will be credited to customers annually on a one-time, per bill basis and will show as a separate line item on the customer's bill until fully amortized.</p> <p>EDIT CREDIT - The total amount, if any, of the credit in a given year will be determined by the average rate assumption method (ARAM) as required by the Tax Cuts and Jobs Act of 2017 Section 13001(d).</p> <p>TRUE-UP ADJUSTMENT - The Excess Deferred Income Tax credit shall be trued-up annually. The True-Up Adjustment will be the difference between the amount of that year's EDIT Credit and the amount actually credited to customers.</p> <p>EDIT CREDIT PER CUSTOMER - The EDIT credit per customer will be determined by allocating that year's credit, plus/minus any prior year true up adjustment, among the customer classes utilizing the same class revenue allocation as approved in the most recent general rate case, and then by dividing each class's portion by the number of customers in that class.</p> <p>C. EDIT CREDIT PER CUSTOMER</p> <p>Residential: \$ 6.17                      Commercial: \$25.55                      Public Authority: \$24.58                      School &amp; Municipal: \$69.15                      Taxes: Plus applicable taxes and fees (including franchises fees) related to above.</p> <p>D. OTHER ADJUSTMENTS</p> <p>Taxes: Plus applicable taxes and fees (including franchise fees) related to above.</p> <p>E. ANNUAL FILING</p> <p>The Company shall make a filing each year no later than December 31, including the following information:</p> <p>a. the total dollar amount of that year's EDIT Credit;                      b. the total dollar amount actually credited to customers;                      c. true-up amount, if any, due to the difference between items a. and b., above;                      d. the amount of the upcoming year's EDIT Credit; and                      e. the amounts of the upcoming year's EDIT Credit Per Customer.</p> <p>F. CONDITIONS</p> <p>Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Meters Read On and After April 29, 2019 Supersedes Same Rate Schedule Dated December 31, 2018 (Cities)</p>
PSF-ALL-ISOS-PSAF	<p>Texas Gas Service Company, a Division of ONE Gas, Inc.                      All Service Areas                      RATE SCHEDULE PSF</p> <p style="text-align: center;">PIPELINE SAFETY AND REGULATORY PROGRAM FEES</p> <p>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</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31836
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Rule Section 8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.

(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:

(A) the pipeline safety and regulatory program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(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 Section 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) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program 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 system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory 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 paragraph (1) of this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31836
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Safety Division a report showing:                      (A) the pipeline safety and regulatory program fee amount paid to the Commission;                      (B) the unit rate and total amount of the surcharge billed to each customer;                      (C) the date or dates on which the surcharge was billed to customers; and                      (D) the total amount collected from customers from the surcharge.</p> <p>(d) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.</p> <p>Source Note: The provisions of this Section 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 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947</p>
RCE-Rider-Borger-IS	<p>Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018                      Texas Gas Service Company, a Division of ONE Gas, Inc.                      Borger/Skellytown Service Area RATE SCHEDULE RCE - B</p> <p>RATE CASE EXPENSE SURCHARGE</p> <p>A. APPLICABILITY</p> <p>The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinance. This rate shall apply to the following rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. in the following incorporated areas of Borger, Texas: 10, 20, 40, 48 and T-1.</p> <p>B. RCE RATE</p> <p>All Ccf during each billing period:           \$0.0105 per Ccf</p> <p>This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. Texas Gas Service Company, a Division of ONE Gas, Inc. will recover \$109,858.52 in actual expense and no more than \$30,860.18 in estimated expense. The Rate Case Expense Surcharge will be a separate line item on the bill.</p> <p>C. OTHER ADJUSTMENTS</p> <p>Taxes: Plus applicable taxes and fees (including franchise fees for customers in incorporated areas) related to above.</p> <p>D. CONDITIONS</p> <p>Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p>
RCE-Rider-Skelly-IS	<p>Meters Read On and After December 31, 2018 Initial Rate Schedule                      Texas Gas Service Company, a Division of ONE Gas, Inc. Borger/Skellytown Service Area                      RATE SCHEDULE RCE</p> <p>RATE CASE EXPENSE SURCHARGE</p> <p>A. APPLICABILITY</p> <p>The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinance. This rate shall apply to the following rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. in the following incorporated areas of Skellytown, Texas: 10, 20, 40, 48 and T-1.</p> <p>B. RCE RATE</p> <p>All Ccf during each billing period:           \$0.006 per Ccf</p> <p>This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. Texas Gas Service, a Division of ONE Gas, Inc. will recover \$2,054.27 in actual expense. The Rate Case Expense Surcharge will be a separate line item on the bill.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310**                      **COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 31836**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-1-BorgSk-IS	<p><b>C. OTHER ADJUSTMENTS</b> Taxes: Plus applicable taxes and fees (including franchise fees for customers in incorporated areas) related to above.</p> <p><b>D. CONDITIONS</b> Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Meters Read On and After December 31, 2018 Initial Rate Schedule Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE T-1 Borger/Skellytown Service Area</p>
	<p><b>TRANSPORTATION SERVICE RATE</b></p> <p><b>APPLICABILITY</b> Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p><b>AVAILABILITY</b> Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's distribution system in the Borger/Skellytown Service Area which includes the incorporated areas of Borger and Skellytown, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p> <p><b>COST OF SERVICE RATE</b> During each monthly billing period, a customer charge per meter per month listed by customer class as follows: All Classes \$250.00 per month Plus - All Ccf per monthly billing period listed by customer class as follows: Commercial - \$0.29344 per Ccf Public Authority - \$0.23148 per Ccf School and Municipal - \$0.37651 per Ccf</p> <p><b>ADDITIONAL CHARGES</b> 1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder. 2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities. 3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Borger/Skellytown Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer. 4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider RCE. 5) The billing shall reflect adjustments in accordance with provisions of the Excess Deferred Income Tax Rider (EDIT-Rider).</p> <p><b>SUBJECT TO</b> 1) Tariff T-TERMS, General Terms and Conditions for Transportation. 2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer. 3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p>
T-TERMS-BorgSk-ISO	<p>Meters Read On and After December 31, 2018 Initial Rate Schedule Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE T-TERMS Borger/Skellytown Service Area</p> <p style="text-align: center;"><b>GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</b></p> <p><b>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE</b></p> <p>Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes,</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31836
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service. This rate schedule shall apply to customers who have elected Transportation Service through the Company's distribution system in the Borger/Skellytown Service Area which includes the incorporated and unincorporated areas of Borger and Skellytown, Texas.

## 1.2 DEFINITIONS

The following definitions shall apply to the indicated words as used in this Tariff:

Adder: Shall mean the Company's incremental cost to purchase natural gas.

Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.

Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.

Commission or The Commission: The Railroad Commission of Texas.

Company: Texas Gas Service Company, a Division of ONE Gas, Inc.

Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.

Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

Consumption Period: Shall mean a volumetric billing period.

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month. Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.

Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer. Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Borger/Skellytown Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31836
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK). a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 31836
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.

c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.

e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.

**1.6 IMBALANCES**

Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.

a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.

b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.

c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.

d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.

e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.

f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.

g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.

h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.

Meters Read On and After February 28, 2019  
December 31, 2018 (Borger/Skellytown Incorporated Areas)

Supersedes Same Rate Schedule dated

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310                      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 31836

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
109086	D	Ccf	\$.0000	12/31/2018	N
<b>DESCRIPTION:</b> All applicable transportation delivery points within Incorporated TGS BORGER/SKELLYTOWN SVC AREA					
<b>Customer</b>	39715	Transportation customers in the Inc areas of the BORGER/SKELLYTOWN SVC AREA			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	
M	Other(with detailed explanation)	Firm Transportation customers within the Incorporated areas of the BORGER/SKELLYTOWN SVC AREA

**TUC APPLICABILITY**

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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 32360

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 02/28/2019      **RECEIVED DATE:** 05/02/2019

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

**INACTIVE DATE:**      **AMENDMENT DATE:** 04/29/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N      **RRC DOCKET NO:** 10766RC

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Eff. 4/29/19, Rate Sched EDIT-Rider-BSSA-ISOS(Excess Deferred Income Tax Credit) rates to be credited during May-19 billing cycles.

**OTHER(EXPLAIN):** Eff. 2/28/2019, new T-1 rate sched and T-TERMS per Borger Skellytown OS RATE CASE apprvd via GUD 10766

**PREPARER - PERSON FILING**

**RRC NO:** 971      **ACTIVE FLAG:** Y      **INACTIVE DATE:**

**FIRST NAME:** Christy      **MIDDLE:**      **LAST NAME:** Bell

**TITLE:** Rates Analyst

**ADDRESS LINE 1:** 1301 South Mopac Expressway

**ADDRESS LINE 2:** IV Barton Skyway, Suite 400

**CITY:** Austin      **STATE:** TX      **ZIP:** 78746      **ZIP4:**

**AREA CODE:** 512      **PHONE NO:** 370-8280      **EXTENSION:**

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
39890	Transportation customers in the Env. areas of the BORGER/SKELLYTOWN SVC AREA	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 32360
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
RCE-Rider-BorgSk-OS	<p>Texas Gas Service Company, a Division of ONE Gas, Inc.                      RATE SCHEDULE RCE-ENV                      Borger/Skellytown Service Area</p> <p style="text-align: center;">RATE CASE EXPENSE SURCHARGE</p> <p>A. APPLICABILITY</p> <p>The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to Gas Utilities Docket No. 10766: Statement of Intent of Texas Gas Service Company, a Division of ONE Gas, Inc. to Increase Gas Utility Rates Within the Unincorporated Areas of the Borger/Skellytown Service Area, Final Order Finding of Fact No. 50-61. This rate shall apply to the following rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. in the following unincorporated Areas of Borger and Skellytown, Texas: 1Z, 2Z, 4Z, 4H and T-1-ENV.</p> <p>B. RCE RATE</p> <p>All Ccf during each billing period:           \$ 0.0104 per Ccf</p> <p>This rate will be in effect until all approved and expended rate case expenses are recovered under the applicable rate schedules. Texas Gas Service Company, a Division of ONE Gas, Inc. will recover \$16,839.83 in actual expense and up to \$2,534.66 in estimated expenses. The Rate Case Expense Surcharge will be a separate line item on the bill.</p> <p>C. OTHER ADJUSTMENTS</p> <p>Taxes: Plus applicable taxes and fees related to above.</p> <p>D. CONDITIONS</p> <p>Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>E. COMPLIANCE</p> <p>The Company shall file an annual rate case expense reconciliation report within ninety (90) days after each calendar year end until and including the calendar year end in which the rate case expenses are fully recovered. The Company shall file the report with the Commission addressed to the Director of Oversight and Safety Division, Gas Services Department and referencing Gas Utilities Docket No. 10766 Rate Case Expense Recovery Report. The report shall detail the monthly collections for RCE surcharge by customer class and show the outstanding balance. Reports for the Commission should be filed electronically at GUD_Compliance@rrc.texas.gov or at the following address:</p> <p>Compliance Filing                      Director of Oversight and Safety Division                      Gas Services Dept.                      Railroad Commission of Texas                      P.O. Box 12967                      Austin, TX 78711-2967</p> <p>Meters Read On and After February 28, 2019 <span style="float: right;">Initial Rate Schedule</span></p>
T-1-ENV-BorgSk-OS	<p>Texas Gas Service Company, a Division of ONE Gas, Inc.                      RATE SCHEDULE T-1-ENV                      Borger/Skellytown Service Area</p> <p style="text-align: center;">TRANSPORTATION SERVICE RATE</p> <p>APPLICABILITY</p> <p>Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule. Service under this rate schedule is available for the transportation of customer-owned natural gas through the Company's distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.</p> <p>AVAILABILITY</p> <p>Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 32360**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-TERMS-BorgSk-ISO	<p>customer owned natural gas through the Company's distribution system in the Borger/Skellytown Service Area which includes the unincorporated areas of Borger and Skellytown, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.</p> <p><b>COST OF SERVICE RATE</b></p> <p>During each monthly billing period, a customer charge per meter per month listed by customer class as follows:</p> <p>All Classes \$250.00 per month</p> <p>Plus - All Ccf per monthly billing period listed by customer class as follows:</p> <p>Commercial - \$0.29344 per Ccf Public Authority - \$0.23148 per Ccf</p> <p><b>ADDITIONAL CHARGES</b></p> <p>1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.</p> <p>2) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Borger/Skellytown Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.</p> <p>3) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider (RCE-ENV).</p> <p>4) The billing shall reflect adjustments in accordance with provisions of the Excess Deferred Income Tax Rider (EDIT-Rider).</p> <p><b>SUBJECT TO</b></p> <p>1) Tariff T-TERMS, General Terms and Conditions for Transportation.</p> <p>2) Transportation of natural 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 higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.</p> <p>3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Meters Read On and After February 28, 2019 <span style="float: right;">Initial Rate Schedule</span> Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE T-TERMS Borger/Skellytown Service Area</p> <p style="text-align: center;"><b>GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</b></p> <p><b>1.1 REQUIREMENTS FOR TRANSPORTATION SERVICE</b></p> <p>Nothing shall be deemed to supersede the respective rights and obligations of Company and Customer as provided by Texas statutes, rules, and/or regulations. The Company reserves the right to seek modification or termination of transportation service or any of the tariffs to which it applies and the unilateral right to seek regulatory approval to make any changes to, or to supersede, the rates, charges and terms of transportation service. This rate schedule shall apply to customers who have elected Transportation Service through the Company's distribution system in the Borger/Skellytown Service Area which includes the incorporated and unincorporated areas of Borger and Skellytown, Texas.</p> <p><b>1.2 DEFINITIONS</b></p> <p>The following definitions shall apply to the indicated words as used in this Tariff:</p> <p>Adder: Shall mean the Company's incremental cost to purchase natural gas.</p> <p>Aggregation Areas: Shall mean aggregation pools established by the Company within geographic, operational, administrative, and/or other appropriate parameters, for the purposes of nominating and imbalances.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 32360
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Btu: Shall mean British thermal unit(s) and shall be computed on a temperature base of sixty degrees (60 degrees) Fahrenheit and at the standard pressure base of the applicable service area and on a gross-real-dry basis and shall not be corrected for real water vapor as obtained by means commonly acceptable to the industry, and MMBtu shall mean one million (1,000,000) Btu.

Commission or The Commission: The Railroad Commission of Texas.

Company: Texas Gas Service Company, a Division of ONE Gas, Inc.

Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.

Cumulative Tolerance Limit: Shall mean the percent of aggregate historical annual deliveries of a Qualified Supplier's Aggregation Area pool of customers for the most recent year ended on June 30. The Company, at its sole discretion, may make adjustments to the Cumulative Tolerance Limit.

Consumption Period: Shall mean a volumetric billing period.

Day or Gas Day: Shall mean the 24-hour period commencing at 9:00 a.m. (central clock time) on one calendar day and ending at 9:00 a.m. (central clock time) the following calendar day.

Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.

Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.

Gas or Natural Gas: Shall mean the effluent vapor stream in its natural, gaseous state, including gas-well gas, casing head gas, residue gas resulting from processing both casing head gas and gas-well gas, and all other hydrocarbon and non-hydrocarbon components thereof.

Mcf: Shall mean one thousand (1,000) cubic feet of Gas

Month: Shall mean the period beginning at 9:00 a.m. central clock time on the first Day of each calendar month and ending at 9:00 a.m. Central clock time on the first Day of the next succeeding calendar month. Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.

Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.

PDA: Shall mean a predetermined allocation method.

Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.

Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer. Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.

Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.

Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.

Regulatory Authority: The City Council or equivalent municipal governing body of each respective city in the Borger/Skellytown Service Area, or the Railroad Commission of Texas, as applicable.

Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.

Tariff: Shall mean every rate schedule, or provision thereof, and all terms, conditions, rules and regulations for furnishing gas service filed with the regulatory authorities or agencies having jurisdiction over Company or the services provided hereunder.

Transportation Form: Shall mean the Company approved selection of transportation service document.

Transportation Rate Schedule: A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's distribution system.

Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.

Week: Shall mean a period of seven (7) consecutive Days beginning at 9:00 a.m. central clock time on each Monday and ending at the same time on the next succeeding Monday.

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 32360
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

Year: Shall mean a period of three hundred sixty-five (365) consecutive Days, or three hundred sixty-six (366) consecutive Days when such period includes a February 29.

**1.3 COMPANY'S RESPONSIBILITY**

Company shall deliver to Customer, at the Point of Delivery, volumes of gas, as received from designated Qualified Supplier, for the Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK). a) In no event shall Company be required to expand, modify, construct, rearrange, or change the operations of the Pipeline System in order to receive gas from or on behalf of Customer or in order to deliver gas to Customer at any existing Points of Delivery. Company reserves the right in its sole discretion to remove, relocate, expand, or rebuild, without approval of Customer, any portion of the Pipeline System. Customer shall make no alterations, additions, or repairs to or on the Pipeline System.

**1.4 CUSTOMER'S RESPONSIBILITY**

Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:

- a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
- b) Customer shall indemnify and hold Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of, or an interest in said gas caused by the failure to provide clear title to the gas;
- c) Customer acknowledges Company shall not be responsible in any way for damages or claims relating to the Customer's gas or the facilities of the Customer or others containing such gas prior to receipt into Company's facilities or after delivery to the Customer;
- d) Customer must provide Company with a signed Transportation Form identifying its Qualified Supplier. Customer may designate no more than one Qualified Supplier. This authorization shall be in a form agreeable to Company and shall remain in effect until a signed replacement is received by Company;
- e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;
- f) Transportation Service is not available for a term less than twelve (12) months. Termination of transportation service may, at the Company's sole discretion, delay Customer's request to resume transportation service;
- g) Electronic flow measurement (EFM) may be required for Customers under transportation service, at the Company's sole discretion. The Customer may be required to reimburse the Company for any cost related to the installation of the EFM as well as provide for or reimburse the Company for any ongoing maintenance, repair, or communications costs;
- h) In the event Customer's source of gas supply is terminated by Customer's Qualified Supplier due to non-payment or other reasons, or if customer is otherwise unable to continue as a transportation customer, Customer may, upon the first of the month after thirty (30) calendar days advance notice to Company, obtain service from Company under the general sales tariff applicable to Customer. Prior to commencing such service, Company may, in its sole discretion, require Customer to post a deposit or bond.

**1.5 QUALIFIED SUPPLIER'S RESPONSIBILITY**

Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into mutually agreed upon Points of Receipt and shall act as the Customer's agent with respect to nominations, operational notices and resolution of imbalances.

- a) Qualified Suppliers shall aggregate their Customers' volumes for balancing purposes, into Aggregation Areas, as determined, in the Company's sole discretion.
- b) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently effective nomination process, which can be provided to the parties upon request. Customer and Qualified Supplier shall exercise commercially reasonable best efforts to deliver to the Pipeline System Dths of gas that Company is to deliver from the Pipeline System to Customer during any particular Hour, Day, Week and Month, including but not limited to volumes needed for peak Day usage for Customer's facilities. Qualified Supplier shall not intentionally nominate more or less gas than is anticipated for consumption by Customer(s), except as may be needed for balancing purposes to the extent Company accepts such nomination.
- c) Before the start of the Gas Day, the Point Operator and Company shall establish a predetermined allocation (PDA) method to specify how gas received or delivered by Company shall be allocated in accordance with confirmed nominations at such point. Only one PDA methodology shall be applied per allocation period.
- d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform hourly and daily rates of flow. It is recognized that it may be physically impracticable, because of measurement, gas control limitations

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 32360**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>and other operating conditions, to stay in zero (0) imbalance each hour and each day; therefore, the daily and hourly quantities received may, due to the aforementioned reasons, vary above or below the daily and hourly quantities delivered. If the quantities received and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Customer shall adjust receipts and/or deliveries at any time to the end that the quantities received and delivered shall be kept as near to zero (0) imbalance as practicable.</p> <p>e) Quality of Transportation Service Gas: The gas procured by a Qualified Supplier, for receipt by Company, shall conform to the standards prescribed in Company's applicable rate schedules, Agreements, and applicable local, state or federal laws, rules and/or regulations.</p> <p>1.6 IMBALANCES</p> <p>Qualified Supplier shall, to the extent practicable, not deliver into the Pipeline System more or less Dths of Gas than Company delivers to the Aggregation Area of Customers, at the Points of Delivery, during a Consumption Period. The following imbalance provisions shall be applied to the Qualified Supplier for its Aggregation Area of Customers.</p> <p>a) If Company receives less Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, then Qualified Supplier shall purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.</p> <p>b) If Company receives more Dths of Gas than are delivered to the Aggregate Area Customers at the Points of Delivery in excess of the Monthly Tolerance Limit or Cumulative Tolerance Limit in any particular Consumption Period, Qualified Supplier shall sell such excess Gas to Company at 95% of the applicable index.</p> <p>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</p> <p>d) A proportional share of any upstream pipeline transportation service charges and penalties incurred by the Company, that in whole or in part, are the result of Qualified Supplier's scheduling and/or managing the upstream transportation of the Customer's gas to Company's interconnection point(s) with the upstream pipeline(s). Proceeds from this charge will be credited to the Reconciliation Account. The Company will bill Qualified Supplier for these charges and penalties manually on a separate bill. Payment shall be required in accordance with applicable Rules of Service.</p> <p>e) The Company will provide monthly imbalance statements along with calculations of the charges in accordance with the aforementioned provisions to the Qualified Supplier each month.</p> <p>f) Payments for imbalance settlements will be due each month within 15 business days of the imbalance statement date. The Company may elect at its sole discretion to accrue the imbalance settlement provisions each month and only require periodic settlement rather than monthly payments.</p> <p>g) On or about fifteen (15) days after the Company receives necessary volumetric information from other parties for each Consumption Period after commencement of Gas receipts and deliveries hereunder, Company shall render to the Qualified Supplier a statement for the preceding Consumption Period showing the total Dths of Gas received and delivered and each Point of Receipt and Point of Delivery. If information necessary for statement purposes is in the possession of Customer, Customer shall furnish such information to Company on or before the sixth (6th) Day of the Month in which the statement requiring such data is to be rendered.</p> <p>h) Both parties hereto shall have the right at any and all reasonable times within twenty four (24) months from the time period in question, to examine the books and records of the other to the extent necessary to verify the accuracy of any statement, computation, or demand made hereunder.</p>
	<p>Meters Read On and After February 28, 2019 December 31, 2018 (Borger/Skellytown Incorporated Areas)</p> <p style="text-align: right;">Supersedes Same Rate Schedule dated</p> <p>EDIT-Rider-BSSA-ISO                      Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE EDIT-RIDER Borger/Skellytown Service Area</p>
	<p><b>EXCESS DEFERRED INCOME TAX CREDIT</b></p>
	<p><b>A. APPLICABILITY</b></p> <p>This Excess Deferred Income Tax Credit applies to all general service rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc., currently in force in the Company's Borger/Skellytown Service Area within the incorporated and unincorporated areas of Borger and Skellytown, Texas including Rate Schedules 10, 20, 40, 48, 1Z, 2Z, 4Z, 4H, T-1 and T-1-ENV.</p>
	<p><b>B. CALCULATION OF CREDIT</b></p> <p>The annual amortization of the regulatory liability for excess deferred income taxes resulting from the Tax Cuts and Jobs Act of 2017</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6310                      COMPANY NAME: TEXAS GAS SERVICE COMPANY**

**TARIFF CODE: DT                      RRC TARIFF NO: 32360**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>and in compliance with GUD No. 10695, will be credited to customers annually on a one-time, per bill basis and will show as a separate line item on the customer's bill until fully amortized.</p> <p>EDIT CREDIT - The total amount, if any, of the credit in a given year will be determined by the average rate assumption method (ARAM) as required by the Tax Cuts and Jobs Act of 2017 Section 13001(d).</p> <p>TRUE-UP ADJUSTMENT - The Excess Deferred Income Tax credit shall be trued-up annually. The True-Up Adjustment will be the difference between the amount of that year's EDIT Credit and the amount actually credited to customers.</p> <p>EDIT CREDIT PER CUSTOMER - The EDIT credit per customer will be determined by allocating that year's credit, plus/minus any prior year true up adjustment, among the customer classes utilizing the same class revenue allocation as approved in the most recent general rate case, and then by dividing each class's portion by the number of customers in that class.</p> <p>C. EDIT CREDIT PER CUSTOMER                      Residential: \$ 6.17                      Commercial: \$25.55                      Public Authority: \$24.58                      School &amp; Municipal: \$69.15                      Taxes: Plus applicable taxes and fees (including franchises fees) related to above.</p> <p>D. OTHER ADJUSTMENTS                       Taxes: Plus applicable taxes and fees (including franchise fees) related to above.</p> <p>E. ANNUAL FILING                       The Company shall make a filing each year no later than December 31, including the following information:                       a. the total dollar amount of that year's EDIT Credit;                      b. the total dollar amount actually credited to customers;                      c. true-up amount, if any, due to the difference between items a. and b., above;                      d. the amount of the upcoming year's EDIT Credit; and                      e. the amounts of the upcoming year's EDIT Credit Per Customer.</p> <p>F. CONDITIONS                       Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.</p> <p>Meters Read On and After April 29, 2019 Supersedes Same Rate Schedule Dated December 31, 2018 (Cities)                      Texas Gas Service Company, a Division of ONE Gas, Inc.                      All Service Areas                      RATE SCHEDULE PSF</p>
PSF-ALL-ISOS-PSAF	<p style="text-align: center;"><b>PIPELINE SAFETY AND REGULATORY PROGRAM FEES</b></p> <p>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 Section 8.201 Pipeline Safety and Regulatory Program Fees</p> <p>(a) Application of fees. Pursuant to Texas Utilities Code, Section 121.211, the Commission establishes a pipeline safety and regulatory program 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 jurisdiction under Texas Utilities Code, Title 3. 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 and regulatory programs under Texas Utilities Code, Title 3, excluding costs that are fully funded by federal sources for any fiscal year.</p> <p>(b) Natural gas distribution systems. The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of \$1.00 for each service (service line) in service at the end of each calendar year as reported by each system operator on the U.S. Department of Transportation (DOT) Gas Distribution Annual Report, Form PHMSA F7100.1-1 due on March 15 of each year.</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6310	<b>COMPANY NAME:</b> TEXAS GAS SERVICE COMPANY
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 32360
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**CURRENT RATE COMPONENT****RATE COMP. ID****DESCRIPTION**

(1) Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program total to be paid to the Commission by multiplying the \$1.00 fee by the number of services listed in Part B, Section 3, of Form PHMSA F7100.1-1, due on March 15 of each year.

(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 and regulatory 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 \$1.00 per service or service line (For the calendar year 2018 annual pipeline safety program fee, billed effective with meters read on and after March 29, 2019, Texas Gas Service Company, a Division of ONE Gas, Inc. will bill all customers a one-time customer charge per bill of \$1.00, based on \$1.00 per service line); and

(E) shall not be billed to a state agency, as that term is defined in Texas Utilities Code, Section 101.003.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory 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 Pipeline Safety Division a report showing:

(A) the pipeline safety and regulatory program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(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 Section 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) Natural gas master meter systems. The Commission hereby assesses each natural gas master meter system an annual pipeline safety and regulatory program fee of \$100 per master meter system.

(1) Each operator of a natural gas master meter system shall remit to the Commission the annual pipeline safety and regulatory program 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 system operator no later than April 30 of each year as a courtesy reminder. The failure of a natural gas master meter system operator to receive an invoice shall not exempt the natural gas master meter system operator from its obligation to remit to the Commission the annual pipeline safety and regulatory 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 paragraph (1) of this subsection.

(4) No later than 90 days after the last billing cycle in which the pipeline safety and regulatory program fee surcharge is billed to customers, each natural gas master meter system operator shall file with the Commission's Gas Services Division and the Pipeline Safety Division a report showing:

(A) the pipeline safety and regulatory program fee amount paid to the Commission;

(B) the unit rate and total amount of the surcharge billed to each customer;

(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) Late payment penalty. If the operator of a natural gas distribution system or a natural gas master meter system does not remit payment of the annual pipeline safety and regulatory program 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 of the total amount due to the Commission.

Source Note: The provisions of this Section 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

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6310      **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

**TARIFF CODE:** DT      **RRC TARIFF NO:** 32360

**CURRENT RATE COMPONENT**

**RATE COMP. ID**      **DESCRIPTION**  
 TexReg 8121; amended to be effective September 21, 2009, 34 TexReg 6446; amended to be effective August 30, 2010, 35 TexReg 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947  
  
 Meters Read On and After March 29, 2019 Supersedes Same Sheet Dated March 27, 2018

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
109390	D	Ccf	\$.0000	02/28/2019	N
<b>DESCRIPTION:</b> All applicable transportation delivery points within Unincorporated TGS BORGER/SKELLYTOWN SVC AREA					
<b>Customer</b>	39890	Transportation customers in the Env. areas of the BORGER/SKELLYTOWN SVC AREA			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	
M	Other(with detailed explanation)	Firm Transportation customers within the Unincorporated areas of the BORGER/SKELLYTOWN SVC AREA

**TUC APPLICABILITY**

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