RAILROAD COMMISSION OF TEXAS  
GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

<table>
<thead>
<tr>
<th>RRC COID: 6310</th>
<th>COMPANY NAME</th>
<th>TEXAS GAS SERVICE COMPANY</th>
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</thead>
<tbody>
<tr>
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<tr>
<td>DESCRIPTION: Distribution Transportation</td>
<td>STATUS: A</td>
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<tr>
<td>OPERATOR NO:</td>
<td></td>
<td></td>
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<tr>
<td>ORIGINAL CONTRACT DATE:</td>
<td>RECEIVED DATE: 01/28/2020</td>
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<tr>
<td>INITIAL SERVICE DATE: 05/01/1995</td>
<td>TERM OF CONTRACT DATE:</td>
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<td>INACTIVE DATE:</td>
<td>AMENDMENT DATE: 09/01/2019</td>
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<td>CONTRACT COMMENT: None</td>
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<th>REASONS FOR FILING</th>
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<td>NEW FILING: N</td>
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<td>CITY ORDINANCE NO:</td>
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<td>AMENDMENT(EXPLAIN): None</td>
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<tr>
<td>OTHER(EXPLAIN): Eff. 9/1/2019, revisions to rate component EP-T-14-IS-XEL and delivery point #37682; filing delayed due to resource constraints</td>
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<tr>
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<td>INACTIVE DATE:</td>
</tr>
<tr>
<td>FIRST NAME: Christy</td>
</tr>
<tr>
<td>MIDDLE:</td>
</tr>
<tr>
<td>LAST NAME: Bell</td>
</tr>
<tr>
<td>TITLE: Rates Analyst</td>
</tr>
<tr>
<td>ADDRESS LINE 1: 1301 South Mopac Expressway</td>
</tr>
<tr>
<td>ADDRESS LINE 2: IV Barton Skyway, Suite 400</td>
</tr>
<tr>
<td>CITY: Austin</td>
</tr>
<tr>
<td>STATE: TX</td>
</tr>
<tr>
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<td>AREA CODE: 512</td>
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<tr>
<td>PHONE NO: 370-8280</td>
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<table>
<thead>
<tr>
<th>CUSTOMERS</th>
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<tbody>
<tr>
<td>CUSTOMER NO</td>
</tr>
<tr>
<td>--------------</td>
</tr>
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<td>9659</td>
</tr>
</tbody>
</table>

Page 1 of 281
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 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;

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 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 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 Rate Schedule T-GEN and T-GEN-ENV:

September 10, 2013, El Paso Incorp.

July 29, 2011, El Paso Environs

EP-T-14-IS-XEL RATE COMPONENTS

Transportation Period: September 1, 2019 through August 31, 2022; month to month thereafter until terminated by either party with 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: All Mcf per monthly billing period as follows:
- September 1, 2019 - August 31, 2020: $0.50 per Mcf
- September 1, 2020 - August 31, 2021: $0.55 per Mcf
- September 1, 2021 - August 31, 2022: $0.60 per Mcf

Customer and Additional Charges: Pursuant to the applicable Rate Schedule(s).

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, a Division of ONE Gas, Inc.

RATE SCHEDULE T-1
West 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 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:

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Charge per Ccf per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$0.08223 per Ccf</td>
</tr>
<tr>
<td>Cogeneration</td>
<td>$0.05696 per Ccf</td>
</tr>
<tr>
<td>Industrial</td>
<td>$0.12458 per Ccf</td>
</tr>
</tbody>
</table>

Total Cost for Commercial:
- First 500 Ccf @ $0.08223
- Next 400,000 Ccf @ $0.06223

Total Cost for Cogeneration:
- First 5,000 Ccf @ $0.05696
- Next 95,000 Ccf @ $0.04696
- Next 300,000 Ccf @ $0.03696
- All Over 400,000 Ccf @ $0.02696

Total Cost for Industrial:
- First 500 Ccf @ $0.08223
- Next 400,000 Ccf @ $0.06223

Footnotes:

1. Interim Rate Adjustment: $9.42
2. Interim Rate Adjustment: $9.42
3. Interim Rate Adjustment: $233.16
4. Interim Rate Adjustment: $36.70
5. Cost of Service Rate: $0.08223 per Ccf
6. Cost of Service Rate: $0.06223 per Ccf
7. Cost of Service Rate: $0.05696 per Ccf
8. Cost of Service Rate: $0.04696 per Ccf
9. Cost of Service Rate: $0.03696 per Ccf
10. Cost of Service Rate: $0.02696 per Ccf
11. Cost of Service Rate: $0.04695 per Ccf
12. Cost of Service Rate: $0.03694 per Ccf
13. Cost of Service Rate: $0.02695 per Ccf
14. Cost of Service Rate: $0.01694 per Ccf
15. Cost of Service Rate: $0.12458 per Ccf
RAILROAD COMMISSION OF TEXAS
GAS SERVICES DIVISION
GSD - 2 TARIFF REPORT

<table>
<thead>
<tr>
<th>RRC COID: 6310</th>
<th>COMPANY NAME: TEXAS GAS SERVICE COMPANY</th>
</tr>
</thead>
</table>

**CURRENT RATE COMPONENT**

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<tr>
<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>All Over 500 Ccf @ $0.10458 per Ccf (Footnote 16)</td>
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<tr>
<td></td>
<td>Public Authority The First 500 Ccf @ $0.11461 per Ccf (Footnote 17)</td>
</tr>
<tr>
<td></td>
<td>All Over 500 Ccf @ $0.09461 per Ccf (Footnote 18)</td>
</tr>
</tbody>
</table>

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);
2018 IRA - $3.35 (GUD No. 10830)

Footnote 2:
2016 IRA - $3.55 (GUD No. 10612) revised to $3.16 (GUD No. 10713);
2017 IRA - $2.91 (GUD No. 10710);
2018 IRA - $3.35 (GUD No. 10830)

Footnote 3:
2016 IRA - $89.14 (GUD No. 10612) revised to $79.31 (GUD No. 10713);
2017 IRA - $70.85 (GUD No. 10710);
2018 IRA - $83.00 (GUD No. 10830)

Footnote 4:
2016 IRA - $13.98 (GUD No. 10612) revised to $12.44 (GUD No. 10713);
2017 IRA - $11.29 (GUD No. 10710);
2018 IRA - $12.97 (GUD No. 10830)

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:
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.
<table>
<thead>
<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
<th>CONFIDENTIAL?</th>
<th>DELIVERY POINT</th>
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</thead>
<tbody>
<tr>
<td>40943</td>
<td><strong>CONFIDENTIAL</strong></td>
<td>Y</td>
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</table>
Transportation Period: May 1, 2020 through April 30, 2030 and month to month thereafter until terminated by either party with thirty (30) days written notice.

Points of Receipt: DSUG ELP, and any other existing delivery points into Company's distribution system as mutually agreed upon by Company, Customer and Customer's supplier.

Cost of Service Rate: All Mcf per monthly billing period as follows:

<table>
<thead>
<tr>
<th>Period</th>
<th>Start Date</th>
<th>End Date</th>
<th>Rate $/Mcf</th>
<th>Incentive Rate $/Mcf</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>May 1, 2020</td>
<td>April 30, 2021</td>
<td>$0.300</td>
<td>N/A</td>
</tr>
<tr>
<td>2</td>
<td>May 1, 2021</td>
<td>April 30, 2022</td>
<td>$0.325</td>
<td>N/A</td>
</tr>
<tr>
<td>3</td>
<td>May 1, 2022</td>
<td>April 30, 2023</td>
<td>$0.350</td>
<td>N/A</td>
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<tr>
<td>4</td>
<td>May 1, 2023</td>
<td>April 30, 2024</td>
<td>$0.375</td>
<td>N/A</td>
</tr>
<tr>
<td>5</td>
<td>May 1, 2024</td>
<td>April 30, 2025</td>
<td>$0.400</td>
<td>N/A</td>
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<tr>
<td>6</td>
<td>May 1, 2025</td>
<td>April 30, 2026</td>
<td>$0.425</td>
<td>$0.410</td>
</tr>
<tr>
<td>7</td>
<td>May 1, 2026</td>
<td>April 30, 2027</td>
<td>$0.450</td>
<td>$0.420</td>
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<tr>
<td>8</td>
<td>May 1, 2027</td>
<td>April 30, 2028</td>
<td>$0.475</td>
<td>$0.430</td>
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<td>9</td>
<td>May 1, 2028</td>
<td>April 30, 2029</td>
<td>$0.500</td>
<td>$0.440</td>
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<td>10</td>
<td>May 1, 2029</td>
<td>End of Contract</td>
<td>$0.525</td>
<td>$0.450</td>
</tr>
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</table>

*The Incentive Rate shall apply only to annual volumes above 1,638,000 Mcf.

Meter Charge: $500 per meter per month.

Customer and Additional Charges: Monthly charges are inclusive of Cost of Service Rates, Incentive Rates (where applicable), and Meter Charges.

Volumes: Maximum Daily Quantity (MDQ) is 7,500 MMbtu/day. Subject to Company's system requirements, Customer can exceed the MDQ on any given day based on Company's ability to deliver and perform without negatively impacting other customers, and subject to applicable tariffs.

Natural Gas Pressure: Expected Delivery Pressure for Points of Delivery at Customer's facility is outlined below. No minimum pressure is guaranteed.

Point(s) of Delivery: Premise Number: Operating Pressure Range (psig) 1550849 270-300 1550850 72-80 1550851 270-300 1550238 72-80

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.

T-TERMS-WTSA-ISO

GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE

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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.
- **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 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 theCustomer'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 extent 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
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 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 Rate Schedule T-GEN and T-GEN-ENV:
September 10, 2013, El Paso Incorp.
July 29, 2011, El Paso Environs,
**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.
**RAILROAD COMMISSION OF TEXAS**  
GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

---

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

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<tr>
<th>TARIFF CODE: DT</th>
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**DESCRIPTION:** Distribution Transportation  
**STATUS:** A

**OPERATOR NO:**

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**INACTIVE DATE:**

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**CONTRACT COMMENT:** None

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**REASONS FOR FILING**

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**CITY ORDINANCE NO:**

| AMENDMENT (EXPLAIN): None |

| OTHER (EXPLAIN): Revisions to Company Name, Rate component EP-T-20-IS-XEM effective 10/1/2019 |

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**PREPARE - PERSON FILING**

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<th>MIDDLE:</th>
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<th>EXTENSION:</th>
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**CUSTOMERS**

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Page 14 of 281
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 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;

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.

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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, Company 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 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 Rate Schedule T-GEN and T-GEN-ENV:

September 10, 2013, El Paso Incorp.

July 29, 2011, El Paso Environs,

EP-T-20-IS-XEM

Transportation Period: October 1, 2019 through September 30, 2024; month to month thereafter until terminated by either party with 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: All Mcf per monthly billing period as follows:
- October 1, 2019 - September 30, 2020: $0.20 per Mcf
- October 1, 2020 - September 30, 2021: $0.30 per Mcf
- October 1, 2021 - September 30, 2022: $0.40 per Mcf
- October 1, 2022 - September 30, 2023: $0.45 per Mcf
- October 1, 2023 - September 30, 2024: $0.50 per Mcf

Customer and Additional Charges: Pursuant to the applicable Rate Schedule(s).

Point(s) of Delivery:
- Premise Number: 1562424
- Meter Location: I-10 & Vinton

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, a Division of ONE Gas, Inc.

RATE SCHEDULE T-1
West 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 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:

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<th>Customer Class</th>
<th>Charge Per Month</th>
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<td>Commercial</td>
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</tr>
<tr>
<td>plus Interim Rate Adjustments</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Charge Per Ccf</th>
<th>Interim Rate Adjustments</th>
<th>Total Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$0.08223 per Ccf (Footnote 5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Over 500 Ccf</td>
<td>$0.06223 per Ccf (Footnote 6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cogeneration</td>
<td>$0.05696 per Ccf (Footnote 7)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oct. - Apr. (Winter)</td>
<td>Next 95,000 Ccf @ $0.04696 per Ccf (Footnote 8)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 5,000 Ccf</td>
<td>$0.03696 per Ccf (Footnote 9)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Next 300,000 Ccf</td>
<td>All Over 400,000 Ccf @ $0.02696 per Ccf (Footnote 10)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Over 400,000 Ccf</td>
<td>$0.01694 per Ccf (Footnote 14)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Charge Per Ccf</th>
<th>Interim Rate Adjustments</th>
<th>Total Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>May - Sept. (Summer)</td>
<td>$0.04695 per Ccf (Footnote 11)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 5,000 Ccf</td>
<td>$0.03694 per Ccf (Footnote 12)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Next 95,000 Ccf</td>
<td>$0.02695 per Ccf (Footnote 13)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Next 300,000 Ccf</td>
<td>All Over 400,000 Ccf @ $0.01694 per Ccf (Footnote 14)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Industrial

<table>
<thead>
<tr>
<th>Rate Component ID</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The First 500 Ccf @ $0.12458 per Ccf (Footnote 15)</td>
<td></td>
</tr>
<tr>
<td>All Over 500 Ccf @ $0.10458 per Ccf (Footnote 16)</td>
<td></td>
</tr>
</tbody>
</table>

## Public Authority

<table>
<thead>
<tr>
<th>Rate Component ID</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The First 500 Ccf @ $0.11461 per Ccf (Footnote 17)</td>
<td></td>
</tr>
<tr>
<td>All Over 500 Ccf @ $0.09461 per Ccf (Footnote 18)</td>
<td></td>
</tr>
</tbody>
</table>

### 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

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.

### Footnotes:

- **Footnote 1**: $0.13202 (GUD No. 10506) revised to $0.12458 (GUD No. 10713)
- **Footnote 2**: $0.11202 (GUD No. 10506) revised to $0.10458 (GUD No. 10713)
- **Footnote 3**: $0.09520 (GUD No. 10506) revised to $0.08223 (GUD No. 10713)
- **Footnote 4**: $0.07520 (GUD No. 10506) revised to $0.06223 (GUD No. 10713)
- **Footnote 5**: $0.06993 (GUD No. 10506) revised to $0.05696 (GUD No. 10713)
- **Footnote 6**: $0.05993 (GUD No. 10506) revised to $0.04695 (GUD No. 10713)
- **Footnote 7**: $0.04991 (GUD No. 10506) revised to $0.03694 (GUD No. 10713)
- **Footnote 8**: $0.03991 (GUD No. 10506) revised to $0.02695 (GUD No. 10713)
- **Footnote 9**: $0.02992 (GUD No. 10506) revised to $0.01694 (GUD No. 10713)

---

**Current Rate Component**

<table>
<thead>
<tr>
<th>Rate Component ID</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>10215</td>
<td>TEXAS GAS SERVICE COMPANY</td>
</tr>
<tr>
<td>6310</td>
<td>COMPANY NAME</td>
</tr>
<tr>
<td>DT</td>
<td>TARIFF CODE</td>
</tr>
<tr>
<td>10215</td>
<td>RRC TARIFF NO</td>
</tr>
<tr>
<td>RRC TARIFF NO</td>
<td>10215</td>
</tr>
<tr>
<td>6310</td>
<td>RRC COID</td>
</tr>
</tbody>
</table>

---

**Footnotes:**

- **Footnote 1**: 2016 IRA - $3.55 (GUD No. 10612) revised to $3.16 (GUD No. 10713);
  2017 IRA - $2.91 (GUD No. 10710);
  2018 IRA - $3.35 (GUD No. 10830)
- **Footnote 2**: 2016 IRA - $3.55 (GUD No. 10612) revised to $3.16 (GUD No. 10713);
  2017 IRA - $2.91 (GUD No. 10710);
  2018 IRA - $3.35 (GUD No. 10830)
- **Footnote 3**: 2016 IRA - $89.14 (GUD No. 10612) revised to $79.31 (GUD No. 10713);
  2017 IRA - $70.85 (GUD No. 10710);
  2018 IRA - $83.00 (GUD No. 10830)
- **Footnote 4**: 2016 IRA - $13.98 (GUD No. 10612) revised to $12.44 (GUD No. 10713);
  2017 IRA - $11.29 (GUD No. 10710);
  2018 IRA - $12.97 (GUD No. 10830)
- **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)
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- **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)
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:** 10216

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

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**  **RECEIVED DATE:** 07/02/2020

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

**INACTIVE DATE:**  **AMENDMENT DATE:** 06/01/2020

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:** None

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Per the annual cost of service adjustment provision, the monthly rate is increased effective 6/1/2020

**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**

<table>
<thead>
<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
<th>CONFIDENTIAL?</th>
<th>DELIVERY POINT</th>
</tr>
</thead>
<tbody>
<tr>
<td>17154</td>
<td><strong>CONFIDENTIAL</strong></td>
<td>Y</td>
<td></td>
</tr>
</tbody>
</table>

**CURRENT RATE COMPONENT**

**RATE COMP. ID**  **DESCRIPTION**

EP-T-21-IS-MB  Customer shall pay a net monthly charge of $114,044.00 per month.

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<table>
<thead>
<tr>
<th>ID</th>
<th>TYPE</th>
<th>UNIT</th>
<th>CURRENT CHARGE</th>
<th>EFFECTIVE DATE</th>
<th>CONFIDENTIAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>42954</td>
<td>R</td>
<td>MONTH</td>
<td>$114044.0000</td>
<td>06/01/2020</td>
<td>Y</td>
</tr>
</tbody>
</table>

**DESCRIPTION:** **CONFIDENTIAL**

Customer 17154 **CONFIDENTIAL**

**TYPE SERVICE PROVIDED**

<table>
<thead>
<tr>
<th>TYPE OF SERVICE</th>
<th>SERVICE DESCRIPTION</th>
<th>OTHER TYPE DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>H</td>
<td>Transportation</td>
<td></td>
</tr>
</tbody>
</table>
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 CID: 6310  COMPANY NAME: TEXAS GAS SERVICE COMPANY

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>Distribution Transportation</th>
</tr>
</thead>
<tbody>
<tr>
<td>RRC TARIFF NO:</td>
<td>10238</td>
</tr>
<tr>
<td>TARIFF CODE:</td>
<td>DT</td>
</tr>
<tr>
<td>STATUS:</td>
<td>A</td>
</tr>
<tr>
<td>OPERATOR NO:</td>
<td></td>
</tr>
<tr>
<td>ORIGINAL CONTRACT DATE:</td>
<td>02/01/1993</td>
</tr>
<tr>
<td>RECEIVED DATE:</td>
<td>07/02/2020</td>
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<td>INITIAL SERVICE DATE:</td>
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<tr>
<td>INACTIVE DATE:</td>
<td></td>
</tr>
<tr>
<td>TERM OF CONTRACT DATE:</td>
<td></td>
</tr>
<tr>
<td>AMENDMENT DATE:</td>
<td>06/01/2020</td>
</tr>
<tr>
<td>CONTRACT COMMENT:</td>
<td>None</td>
</tr>
<tr>
<td>REASONS FOR FILING</td>
<td></td>
</tr>
<tr>
<td>NEW FILING:</td>
<td>N</td>
</tr>
<tr>
<td>RRC DOCKET NO:</td>
<td></td>
</tr>
<tr>
<td>CITY ORDINANCE NO:</td>
<td></td>
</tr>
<tr>
<td>AMENDMENT(EXPLAIN):</td>
<td>Revisions to rate component GL-T-2-Galv-IS-XGC and withdrawn delivery pt #37527</td>
</tr>
<tr>
<td>OTHER(EXPLAIN):</td>
<td>None</td>
</tr>
</tbody>
</table>

### PREPARER - PERSON FILING

<table>
<thead>
<tr>
<th>RRC NO:</th>
<th>971</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACTIVE FLAG:</td>
<td>Y</td>
</tr>
<tr>
<td>INACTIVE DATE:</td>
<td></td>
</tr>
<tr>
<td>FIRST NAME:</td>
<td>Christy</td>
</tr>
<tr>
<td>MIDDLE:</td>
<td></td>
</tr>
<tr>
<td>LAST NAME:</td>
<td>Bell</td>
</tr>
<tr>
<td>TITLE:</td>
<td>Rates Analyst</td>
</tr>
<tr>
<td>ADDRESS LINE 1</td>
<td>1301 South Mopac Expressway</td>
</tr>
<tr>
<td>ADDRESS LINE 2</td>
<td>IV Barton Skyway, Suite 400</td>
</tr>
<tr>
<td>CITY:</td>
<td>Austin</td>
</tr>
<tr>
<td>STATE:</td>
<td>TX</td>
</tr>
<tr>
<td>ZIP:</td>
<td>78746</td>
</tr>
<tr>
<td>ZIP4:</td>
<td></td>
</tr>
<tr>
<td>AREA CODE:</td>
<td>512</td>
</tr>
<tr>
<td>PHONE NO:</td>
<td>370-8280</td>
</tr>
<tr>
<td>EXTENSION:</td>
<td></td>
</tr>
</tbody>
</table>

### CUSTOMERS

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<thead>
<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
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<th>DELIVERY POINT</th>
</tr>
</thead>
<tbody>
<tr>
<td>9669</td>
<td><strong>CONFIDENTIAL</strong></td>
<td>Y</td>
<td></td>
</tr>
</tbody>
</table>
Transportation Period: January 1, 2016 through December 31, 2025; month to month thereafter until terminated by either party upon sixty (60) days written notice.

Points of Receipt: Any existing delivery points into Company's distribution system as mutually agreed upon by Company, Customer and Customer's supplier.

Cost of Service Rate:
Yearly Volume of 550,000 Mcf and under $0.5171 per Mcf
Yearly Volume over 550,000 Mcf $0.2585 per Mcf

Cost of Service Rate Adjustment: Effective July 2016 and each subsequent July consumption period thereafter during the term of this Agreement, Company may adjust the Cost of Service Rate upon thirty (30) days written notice to Customer. The Cost of Service Rate shall increase in direct proportion to the increase in the Company's Galveston Texas service area, year over year, operating expenses. The amounts to be included in the annual calculation of operating expenses for the Galveston Texas service area shall include: Taxes Other Than Income Tax, Transmission Expense, Distribution Expense, Customer and Sales Related Expense, and Administrative and General Expense as reported in the Gas Utilities Distribution annual report form to the Railroad Commission of Texas. Adjustments to the Cost of Service Rate will not exceed five percent (5%) of the then current Cost of Service Rate.

Customer Charge: $1,000 per meter per month. Minimum Volume Requirement: During the term of this Agreement, the Company shall calculate annually Customer's volume by totaling actual measured volume, at the Point(s) of Delivery to Customer, for a 12 month period beginning the month of the effective date of the Agreement. (Yearly Volume) The Yearly Volume shall be no lower than 450,000 Mcf. Should Customer's Yearly Volume fall below 450,000 Mcf, Customer shall be billed a fee (Minimum Volume Annual Fee) calculated by multiplying (i) the difference of the required volume (450,000 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.

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.

### T-TERMS-GulfCst-ISO

**TEXAS GAS SERVICE COMPANY**

**Gulf Coast 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.
**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:

---

**CURRENT RATE COMPONENT**

<table>
<thead>
<tr>
<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>DT</td>
<td>Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</td>
</tr>
<tr>
<td></td>
<td>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>Mcf: Shall mean one thousand (1,000) cubic feet of Gas</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.</td>
</tr>
<tr>
<td></td>
<td>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</td>
</tr>
<tr>
<td></td>
<td>PDA: Shall mean a predetermined allocation method.</td>
</tr>
<tr>
<td></td>
<td>Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.</td>
</tr>
<tr>
<td></td>
<td>Point of Delivery: Shall mean the point or points where gas is delivered from the Pipeline System to Customer.</td>
</tr>
<tr>
<td></td>
<td>Point of Receipt: Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.</td>
</tr>
<tr>
<td></td>
<td>Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.</td>
</tr>
<tr>
<td></td>
<td>Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company's pipeline system.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>Transportation Form: Shall mean the Company approved selection of transportation service document.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company's distribution system.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
</tbody>
</table>

---

**CURRENT RATE COMPONENT**

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</tr>
<tr>
<td></td>
<td>Monthly Tolerance Limit: Shall mean five percent (5%) of the aggregate deliveries for a Qualified Suppliers Aggregation Area pool of customers for such month.</td>
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<td>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</td>
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<td>Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.</td>
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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 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
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.
**AMENDMENT (EXPLAIN):** Revisions to rate component and delivery point rate information effective 7/1/2019 per annual cost of service adjustment

**OTHER (EXPLAIN):** None

**REASONS FOR FILING**

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

**CUSTOMER NAME:**
- **CUSTOMER NO:** 11183
- **CONFIDENTIAL:** Y
- **DELIVERY POINT:**

**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:**
## CURRENT RATE COMPONENT

<table>
<thead>
<tr>
<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
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<tbody>
<tr>
<td>GL-T-3-Galv-IS-XGA</td>
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</table>

### 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:

(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
(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 (per 7/1/2019 Cost of Service Adjustment): $0.11576 per Ccf; 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.
(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
(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
(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

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.

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.

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.

### T-1-GulfCst-IS

Texas Gas Service Company, a Division of ONE Gas, Inc.

RATE SCHEDULE T-1
Gulf Coast 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 Texas Gas Service Company, a Division of ONE Gas Inc.'s (the Company) 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 served in Bayou Vista, Galveston, Groves, Jamaica Beach, Nederland, Port Arthur, and Port Neches, 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**: $297.11 per month
- **Industrial**: $249.73 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 rates and regulations on file with the regulatory authority.

**Meters Read On and After July 29, 2019**
Supersedes Same Rate Schedule dated July 26, 2018
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 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:
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.
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: 10240

DESCRIPTION: Distribution Transportation
STATUS: A

OPERATOR NO:

ORIGINAL CONTRACT DATE: 02/01/1993  RECEIVED DATE: 08/20/2019
INITIAL SERVICE DATE:  AMENDMENT DATE: 07/01/2019
INACTIVE DATE:  TERM OF CONTRACT DATE:

REASONS FOR FILING

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

AMENDMENT(EXPLAIN): Revisions to rate component and delivery point rate information effective 7/1/2019 per annual cost of service adjustment
OTHER(EXPLAIN): None

PREPARER - PERSON FILING

RRC NO: 411   ACTIVE FLAG: Y   INACTIVE DATE:
FIRST NAME: Liz   MIDDLE:   LAST NAME: Sheehan
TITLE: Rates/Pricing 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: 370-8356   EXTENSION:

CUSTOMERS

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<tr>
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<tbody>
<tr>
<td>9668</td>
<td><strong>CONFIDENTIAL</strong></td>
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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.

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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.

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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
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.

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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.
### CURRENT RATE COMPONENT

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| | Supersedes Rate Schedules  
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| | GL-T-5-Galv-IS-XGE  
| | RATE COMPONENTS |

4.1 Subject to the other provisions hereof and 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:

(a) The specified rate, including; all amounts for taxes, fees, lost and unaccounted for gas, or other amounts included or referred to in Transporter's applicable transportation tariff as amended from time to time (T-1) which governs Shipper's customer classification at each Point of Redelivery; and

(b) any costs (including without limitation third-party fees, a rate of return and compensation of overhead, administration and depreciation) for compression, treating or similar services provided by Transporter and including any third party transport or service fees paid by Transporter on behalf of Shipper associated with the transportation of gas hereunder; and

4.2 Transporter retains the right to adjust the transportation fee specified 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.

4.3 The cost 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.

4.4 Notwithstanding the above, a cost of service charge as described below will be substituted for the cost of service rate pursuant to Part B(1) of the Rate Section of the Firm Transportation Rate Schedule T-2 which would otherwise apply. The rate transportation shall include a cost of service charge for the use of the transporter's facilities and all other services provided directly by the transporter which shall be according to the following schedule:

- First 100,000 Ccf/month @ $0.09166/Ccf
- Next 100,000 Ccf/month @ $0.07332/Ccf
- Next 300,000 Ccf/month @ $0.03666/Ccf
- Over 500,000 Ccf/month @ $0.02751/Ccf

with all volumes delivered at a pressure base of 14.95 psia, with rates set for the first 24 months of the contract term. Subsequently, the charge shall increase in direct proportion to the increase in the Galveston, Texas and environs expenses of Transporter as reported to the Railroad Commission of Texas in the Transporter's Annual Report to the Gas Utilities Division. The base period for the calculation shall be the year ended December 31, 1988. The amounts to be included in the calculation shall include the amounts reported on lines 38 through 43 of page 27 of the Gas Utilities Division's annual report form. These expenses are: Other Gas Supply Expenses (Acct. 805-813), Operating and Maintenance Expense (Acct. 870-894), Customer Accounting and Sales Expense (Acct. 901-918), Maintenance of General Plant (Acct. 932), and to the extent related to transportation services hereunder, Taxes other than Income Tax (Acct. 408.1). The rate for each contract year shall be calculated as follows: most recent calendar year Galveston expenses/previous calendar year Galveston expenses x prior year cost of service charge for each volume category. The cost of service portion of the rate shall be limited to not less than the prior year rate nor more than 1.05 times the prior year rate. If Shipper does not deliver for transport a minimum quantity of 200,000 Mcf during each twelve (12) month period, Transporter shall have the right to specify a different cost of service rate by providing thirty (30) days notice of such change to Shipper. Shipper will then have thirty (30) days to accept such rate or to terminate this Agreement.

4.5 Notwithstanding the above Section 4.1(a), Shipper 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 Shipper that Transporter will not accept such payment in kind. More specifically, when Transporter allows payment in kind, Shipper shall tender to Transporter at the Point(s) of Delivery volumes of gas equal to the transported volumes delivered to Shipper multiplied by the purchase/sales ratio minus 1 for Transporter's Galveston Service Area as calculated for the 12 months ended the previous June based on actual purchases and actual sales, adjusted to reflect all volumes transported.

Transporter's applicable Rate Schedule (T-TERMS), as amended from time to time, shall govern the conditions under which transportation service is available.

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 Texas Gas Service Company, a Division of ONE Gas, Inc.
Service Company, a Division of ONE Gas Inc.’s (the Company) 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 served in Bayou Vista, Galveston, Groves, Jamaica Beach, Nederland, Port Arthur, and Port Neches, 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 $297.11 per month
- Industrial $249.73 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 29, 2019 Supersedes Same Rate Schedule dated July 26, 2018
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.
**RAILROAD COMMISSION OF TEXAS**

**GAS SERVICES DIVISION**

**GSD - 2 TARIFF REPORT**

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

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**CONTRACT COMMENT:** None

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**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(ExPLAIN):** Revisions to rate component and delivery point rate information effective 7/1/2019 per annual cost of service adjustment

**OTHER(ExPLAIN):** None

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**PREPARER - PERSON FILING**

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*Page 42 of 281*
GENERAL TERMS AND CONDITIONS

1. REQUIREMENTS 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.

2. ACCOUNTING AND REGULATORY REQUIREMENTS

2.1 ACCOUNTING AND REGULATORY REQUIREMENTS

2.1.1 Accounting and Auditing

Records shall be maintained to show the purchase, sale, transportation, and storage of gas. Such records shall be accessible to the Railroad Commission of Texas and Transporter's auditors.

2.1.2 Cost of Service

The cost of service rate for each Contract Year shall be based on the current year's actual costs incurred for the transportation and storage hereunder, adjusted for inflation, and allocated to each customer on the basis of the proportionate number of Mcf delivered to such customer.

3. RATES, CHARGES AND FEES

3.1 RATES, CHARGES AND FEES

3.1.1 Customer Charges

(a) A customer charge of $100.00 per month 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 the Transporter which shall be at the following rates:

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for all volumes redelivered to Customer each Month; plus

(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

(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.

3.1.2 Transportation Rates

4. TRANSPORTATION SERVICES

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:

(a) A customer charge of $100.00 per month 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 the Transporter which shall be at the following rates:

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for all volumes redelivered to Customer each Month; plus

(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

(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.

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.

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. 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.

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.

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. 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.

T-TERMS-GulfCst-ISO

TEXAS GAS SERVICE COMPANY
Gulf Coast 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 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 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 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-7-SoJef-IS-XPH Rate Adjustment Provision
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.
**RAILROAD COMMISSION OF TEXAS**
**GAS SERVICES DIVISION**
**GSD - 2 TARIFF REPORT**

<table>
<thead>
<tr>
<th>RRC CID:</th>
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<tbody>
<tr>
<td>COMPANY NAME</td>
<td>TEXAS GAS SERVICE COMPANY</td>
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<th>DT</th>
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<tr>
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<th>Distribution Transportation</th>
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<tbody>
<tr>
<td>STATUS:</td>
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</table>

**OPERATOR NO:**

- ORIGINAL CONTRACT DATE: 04/08/1991
- RECEIVED DATE: 12/20/2019
- INITIAL SERVICE DATE: |
- TERM OF CONTRACT DATE: |
- INACTIVE DATE: |
- AMENDMENT DATE: 11/01/2019

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

- NEW FILING: N
- CITY ORDINANCE NO: None
- AMENDMENT(EXPLAIN): Revisions to Rate component PA-T-12-SoJef-OS-XPE effective 11/1/2019
- 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**

<table>
<thead>
<tr>
<th>CUSTOMER NO</th>
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<tr>
<td>9676</td>
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</table>
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, 2019: $0.75 per Mcf
- November 1-October 31, 2020: $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.

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, a Division of ONE Gas, Inc. RATE SCHEDULE T-1-ENV

Gulf Coast 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 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 unincorporated areas of the Gulf Coast Service Area distribution system which includes the environs of Bayou Vista, Galveston, Groves, Jamaica Beach, Nederland, Port Arthur and Port Neches, 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:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Rate</th>
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</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$ 300.00 per month</td>
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<tr>
<td>plus Interim Rate Adjustments</td>
<td>$5.92 (Footnote 1)</td>
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<tr>
<td>Total Rate</td>
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<tr>
<td>Industrial</td>
<td>$ 300.00 per month</td>
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<tr>
<td>plus Interim Rate Adjustments</td>
<td>$132.79 (Footnote 2)</td>
</tr>
<tr>
<td>Total Rate</td>
<td>$432.79</td>
</tr>
<tr>
<td>Public Authority</td>
<td>$ 300.00 per month</td>
</tr>
<tr>
<td>plus Interim Rate Adjustments</td>
<td>$7.78 (Footnote 3)</td>
</tr>
<tr>
<td>Total Rate</td>
<td>$307.78</td>
</tr>
</tbody>
</table>
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); 2018 IRA - $0.87 (GUD No. 10857)

Footnote 2: 2016 IRA - $85.98 (GUD No. 10666); 2017 IRA - $29.54 (GUD No. 10781); 2018 IRA - $17.27 (GUD No. 10857)

Footnote 3: 2016 IRA - $4.66 (GUD No. 10666); 2017 IRA - $1.97 (GUD No. 10781); 2018 IRA - $1.15 (GUD No. 10857)

Footnote 4: $0.22140 (GUD No. 10488) revised to $0.20185 (GUD No. 10730)

Footnote 5: $0.37480 (GUD No. 10488) revised to $0.35228 (GUD No. 10730)

Footnote 6: $0.13572 (GUD No. 10488) revised to $0.12092 (GUD No. 10730)

Footnote 7: $0.11007 (GUD No. 10488) revised to $0.10610 (GUD No. 10730)

Footnote 8: $0.11007 (GUD No. 10488) revised to $0.10610 (GUD No. 10730)

Footnote 9: $0.11007 (GUD No. 10488) revised to $0.10610 (GUD No. 10730)

Meters Read On and After September 26, 2019 Supersedes Sheet Dated January 23, 2019 (Billing implementation January 30, 2019)
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 Customer, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).
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 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.

---

**DELIVERY POINTS**

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**DESCRIPTION:** **CONFIDENTIAL**

Customer 9676 **CONFIDENTIAL**

**TYPE SERVICE PROVIDED**

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<th>SERVICE DESCRIPTION</th>
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<tr>
<td>H</td>
<td>Transportation</td>
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</tbody>
</table>
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.
**CONFIDENTIAL**
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 MMWbtu 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 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 Dhfs 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.

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T-GTC SJC Incorp. dated January 27, 2014
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RTR0049 07/28/2020
Page 59 of 281
### Delivery Points

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### 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

<table>
<thead>
<tr>
<th>RRC TARIFF NO: 10263</th>
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#### DESCRIPTION: Distribution Transportation

| STATUS: A |

**ORIGINAL CONTRACT DATE:**

**INITIAL SERVICE DATE:** 06/01/1995

| RECEIVED DATE: 07/02/2020 |

| TERM OF CONTRACT DATE: |

| AMENDMENT DATE: 06/01/2020 |

**REASONS FOR FILING**

| NEW FILING: N |

| RRC DOCKET NO: |

**CITY ORDINANCE NO:** None

**AMENDMENT(EXPLAIN):** Eff. 6/1/2020, revisions to delivery points, rate component PA-T-17-SoJef-OS-XPF

**OTHER(EXPLAIN):**

**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**

| CUSTOMER NO: 35312 |

| CUSTOMER NAME: **CONFIDENTIAL** |

| CONFIDENTIAL?: Y |

| DELIVERY POINT: |

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PA-T-17-SoJef-OS-XPF RATE COMPONENTS

Transportation Period: June 1, 2019 through May 31, 2022; 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:
- June 1, 2019 - May-31, 2020: $1.11 per Mcf
- June 1, 2020 - May 31, 2021: $1.21 per Mcf
- June 1, 2021 - May 31, 2022: $1.31 per Mcf

Cost of Service Rate Adjustment: Effective June 1, 2022 and each subsequent June 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: Pursuant to the applicable tariff.

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.

T-1-ENV-GulfCst-OS

Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE T-1-ENV

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 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 unincorporated areas of the Gulf Coast Service Area distribution system which includes the environs of Bayou Vista, Galveston, Groves, Jamaica Beach, Nederland, Port Arthur and Port Neches, 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:

<table>
<thead>
<tr>
<th>Class</th>
<th>Rate</th>
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<tbody>
<tr>
<td>Commercial</td>
<td>$ 300.00 per month</td>
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<tr>
<td>Industrial</td>
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<td>Public Authority</td>
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Plus - All Ccf per monthly billing period listed by customer class as follows:

<table>
<thead>
<tr>
<th>Class</th>
<th>Rate</th>
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</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>The First 250 Ccf @ $ 0.20185 per Ccf (Footnote 4)</td>
</tr>
<tr>
<td></td>
<td>All Over 250 Ccf @ $ 0.17425 per Ccf (Footnote 5)</td>
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<tr>
<td>Industrial</td>
<td>The First 250 Ccf  @ $ 0.37808 per Ccf (Footnote 6)</td>
</tr>
<tr>
<td></td>
<td>All Over 250 Ccf  @ $ 0.35228 per Ccf (Footnote 7)</td>
</tr>
</tbody>
</table>
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); 2018 IRA - $0.87 (GUD No. 10857)
Footnote 2: 2016 IRA - $85.98 (GUD No. 10666); 2017 IRA - $29.54 (GUD No. 10781); 2018 IRA - $17.27 (GUD No. 10857)
Footnote 3: 2016 IRA - $4.66 (GUD No. 10666); 2017 IRA - $1.97 (GUD No. 10781); 2018 IRA - $1.15 (GUD No. 10857)
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)
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 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.

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.

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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

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

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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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### TYPE SERVICE PROVIDED

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<th>SERVICE DESCRIPTION</th>
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**RRC COID:** 6310  
**COMPANY NAME:** TEXAS GAS SERVICE COMPANY

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

**OPERATOR NO:**

- **ORIGINAL CONTRACT DATE:**  
- **RECEIVED DATE:** 05/06/2020  
- **INITIAL SERVICE DATE:** 02/01/1992  
- **TERM OF CONTRACT DATE:** 04/01/2020  
- **INACTIVE DATE:**  
- **TERM OF CONTRACT DATE:** 04/30/2007

**CONTRACT COMMENT:** moved to standard transport eff 4/1/2020

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:** None

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

**PREPARATOR - 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**

<table>
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## 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.

### 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.

---

### Table: Rate Component

<table>
<thead>
<tr>
<th>T-TERMS-CTX-ISOS</th>
<th>DESCRIPTION</th>
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</thead>
<tbody>
<tr>
<td>ST-T-3-SoTx-OS-XS</td>
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</table>

- **Monthly Cost of Service:** $0.43/Mcf
- **Monthly Customer Charge:** $10.00

- **Additional Charges:**
  - **T-TERMS:** TEXAS GAS SERVICE COMPANY
  - **TARIFF SCHEDULE:** Central Texas Service Area
  - **GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE**

---

### Table: Current Rate Component

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<th>RATE COMP. ID</th>
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<td>ST-T-3-SoTx-OS-XS</td>
<td>ST-T-3-SoTx-OS-XSL Rate Components</td>
</tr>
</tbody>
</table>

- **Monthly Cost of Service:** $0.43/Mcf
- **Monthly Customer Charge:** $10.00
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 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) Qualified Supplier shall submit nominations to the Company's gas scheduling department, in accordance with their currently methodology shall be applied per allocation period.

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.

1.4 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) 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 Incorp January 27, 2014 (T-GTC)

CTX Environ January 2, 2003 (T-GEN-ENV)

STX Environ January 27, 2014 (T-GTC)

Dripping Springs Environ January 31, 2006 (T-GTC)

Kyle/Buda Environ April 30, 2008 (T-GEN)

STX Incorp January 27, 2014 (T-GTC)

STX Environ January 27, 2014 (T-GTC)
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.
### CUSTOMERS

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TRANSPORTATION PERIOD: November 1, 2019 through October 31, 2022; month to month thereafter until terminated by either party with 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, 2019 - October 31, 2020: $0.34 per Mcf
- November 1, 2020 - October 31, 2021: $0.68 per Mcf
- November 1, 2021 - October 31, 2022: $1.02 per Mcf

Customer Charge: Pursuant to the Rate Schedule(s).

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.

RATE SCHEDULE T-1-ENV
Central 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 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 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.

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 $15.33 (Footnote 1) Total Rate $265.33
- Industrial $ 350.00 per month plus Interim Rate Adjustments $170.96 (Footnote 2) Total Rate $520.96
- Public Authority $ 70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 3) Total Rate $104.70
- Public Schools Space Heat $ 200.00 per month plus Interim Rate Adjustments $34.70 (Footnote 4) Total Rate $234.70
- Compressed Natural Gas $ 75.00 per month plus Interim Rate Adjustments $142.63 (Footnote 5) Total Rate $217.63
- Electrical Cogeneration $ 70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 6) Total Rate $104.70

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 - $3.75 (GUD No. 10703);
018 IRA - $6.41 (GUD No. 10824)

Footnote 2: 2
016 IRA - $65.77 (GUD No.10610) revised to $58.71 (GUD No. 10714);
2017 IRA - $44.91 (GUD No. 10703);
2018 IRA - $67.34 (GUD No. 10824)

Footnote 3:
2016 IRA - $13.96 (GUD No.10610) revised to $12.46 (GUD No. 10714);
2017 IRA - $9.03 (GUD No. 10703);
2018 IRA - $13.21 (GUD No. 10824)

Footnote 4:
2016 IRA - $13.96; (GUD No.10610) revised to $12.46 (GUD No. 10714);
2017 IRA - $9.03 (GUD No. 10703);
2018 IRA - $13.21 (GUD No. 10824)

Footnote 5:
2016 IRA - $60.25 (GUD No.10610) revised to $53.78 (GUD No. 10714);
2017 IRA - $45.45 (GUD No. 10703);
2018 IRA - $43.40 (GUD No. 10824)

Footnote 6:
2016 IRA - $13.96 (GUD No.10610) revised to $12.46 (GUD No. 10714);
2017 IRA - $9.03 (GUD No. 10703);
2018 IRA - $13.21 (GUD No. 10824)

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)

Meters Read On and After
June 14, 2019
Supersedes Rate Schedule Dated 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
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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.
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, at a mutually agreed upon Point of Receipt, less Payment in Kind (PIK).

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:
- C TX Incorp January 27, 2014 (T-GTC)
- C TX Environ January 2, 2003 (T-GEN-ENV)
- S TX Environ January 27, 2014 (T-GTC)
- Dripping Springs Environ January 31, 2006 (T-GEN)
- Kyle/Buda Environ April 30, 2008 (T-GEN)
- S TX Incorp January 27, 2014 (T-GTC)
- S TX Environ January 27, 2014 (T-GTC)
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.
**CONFIDENTIAL**
## 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.

## DEFINITIONS

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

### 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.

### 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 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.

## 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.

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 Incorp January 27, 2014 (T-GTC)
- CTX Environ January 2, 2003 (T-GEN-ENV)
- STX Environ January 27, 2014 (T-GTC)
- Dripping Springs Environ January 31, 2006 (T-GEN)
- Kyle/Buda Environ April 30, 2008 (T-GEN)
- STX Incorp January 27, 2014 (T-GTC)
- STX Environ January 27, 2014 (T-GTC)
- ST-T-3-SoTx-IS-XSJ Rate Components

ST-T-3-SoTx-IS-XSJ RATE COMPONENTS

Transportation Period: January 1, 2020 through December 31, 2020; month to month thereafter until terminated by either party with 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: All Mcf per monthly billing period as follows: January 1, 2020 - June 30, 2020: $0.30 per Mcf  July 1, 2020 - December 31, 2020: $0.80 per Mcf Customer and Additional Charges: Pursuant to the current Rate Schedule(s).

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, a Division of ONE Gas, Inc. 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:

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Monthly Charge</th>
<th>Interim Rate Adjustments</th>
<th>Total Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$250.00</td>
<td>$15.33 (Footnote 1)</td>
<td>$265.33</td>
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<tr>
<td>Industrial</td>
<td>$350.00</td>
<td>$170.96 (Footnote 2)</td>
<td>$520.96</td>
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<tr>
<td>Public Authority</td>
<td>$70.00</td>
<td>$34.70 (Footnote 3)</td>
<td>$104.70</td>
</tr>
<tr>
<td>Public Schools Space</td>
<td>$200.00</td>
<td>$34.70 (Footnote 4)</td>
<td>$234.70</td>
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<tr>
<td>Compressed Natural</td>
<td>$75.00</td>
<td>$142.63 (Footnote 5)</td>
<td>$217.63</td>
</tr>
<tr>
<td>Electrical Cogeneration</td>
<td>$70.00</td>
<td>$34.70 (Footnote 6)</td>
<td>$104.70</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Rate per Ccf</th>
<th>Interim Rate Adjustments</th>
<th>Total Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$0.11614</td>
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<td>Industrial</td>
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<tr>
<td>Public Authority</td>
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<td>Public Schools Space</td>
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<tr>
<td>Compressed Natural</td>
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<tr>
<td>Electrical Cogeneration</td>
<td>$0.07720</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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.

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.

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 - $3.75 (GUD No. 10703);
2018 IRA - $6.41 (GUD No. 10824)

Footnote 2:
2016 IRA - $65.77 (GUD No. 10610) revised to $58.71 (GUD No. 10714);
2017 IRA - $44.91 (GUD No. 10703);
2018 IRA - $67.34 (GUD No. 10824)

Footnote 3:
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);
### CURRENT RATE COMPONENT

**RATE COMP. ID**

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<tr>
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<tbody>
<tr>
<td>2017 IRA - $9.03 (GUD No. 10703);</td>
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<tr>
<td>2018 IRA - $13.21 (GUD No. 10824)</td>
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</tbody>
</table>

Footnote 4:

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
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<tbody>
<tr>
<td>2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);</td>
</tr>
<tr>
<td>2017 IRA - $9.03 (GUD No. 10703);</td>
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<tr>
<td>2018 IRA - $13.21 (GUD No. 10824)</td>
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Footnote 5:

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<tr>
<td>2016 IRA - $60.25 (GUD No. 10610) revised to $53.78 (GUD No. 10714);</td>
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<td>2017 - $45.45 (GUD No. 10703);</td>
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<tr>
<td>2018 IRA - $43.40 (GUD No. 10824)</td>
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Footnote 6:

<table>
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<th>DESCRIPTION</th>
</tr>
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<tbody>
<tr>
<td>2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);</td>
</tr>
<tr>
<td>2017 IRA - $9.03 (GUD No. 10703);</td>
</tr>
<tr>
<td>2018 IRA - $13.21 (GUD No. 10824)</td>
</tr>
</tbody>
</table>

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)

**Meters Read On and After**

- June 3, 2019 (Austin Only)
- June 14, 2019 (All Other Incorporated Areas)

**Supersedes Rate Schedule Dated**

November 30, 2018

### DELIVERY POINTS

<table>
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<th>ID</th>
<th>TYPE</th>
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<th>CURRENT CHARGE</th>
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<td>$.3000</td>
<td>01/01/2020</td>
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**DESCRIPTION:** **CONFIDENTIAL**

**Customer** | 40638 | **CONFIDENTIAL**

### TYPE SERVICE PROVIDED

<table>
<thead>
<tr>
<th>TYPE OF SERVICE</th>
<th>SERVICE DESCRIPTION</th>
</tr>
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<tbody>
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<td>Transportation</td>
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<td>6310</td>
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<td>------</td>
</tr>
<tr>
<td>TARIFF CODE:</td>
<td>DT</td>
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</table>

**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.
**CUSTOMER INFORMATION**

<table>
<thead>
<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
<th>CONFIDENTIAL?</th>
<th>DELIVERY POINT</th>
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<tbody>
<tr>
<td>9731</td>
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<td>Y</td>
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</table>
### T-TERMS-RGV-ISOS

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

**T-TERMS-RGV-ISOS**

**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.**

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

c) 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. 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

Texas Gas Service Company, a Division of ONE Gas, Inc Rio Grande Valley Service Area

RATE SCHEDULE T-1-ENV

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, 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.

COST OF SERVICE RATE
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 $17.81 (Footnote 1) Total $417.81

Industrial $400.00 per month
  Plus Interim Rate Adjustment $143.98 (Footnote 2) Total $543.98

Public Authority $400.00 per month
  Plus Interim Rate Adjustment $18.20 (Footnote 3) Total $418.20
  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

ADDITIONAL CHARGES

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.

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: 2017 IRA - $6.58 (GUD No. 10784); 2018 IRA - $11.23 (GUD No. 10874)
Footnote 2: 2017 IRA - $54.40 (GUD No. 10784); 2018 IRA - $89.58 (GUD No. 10874)
Footnote 3: 2017 IRA - $6.66 (GUD No. 10784); 2018 IRA - $11.54 (GUD No. 10874)
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**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.
**RAILROAD COMMISSION OF TEXAS**
**GAS SERVICES DIVISION**
**GSD – 2 TARIFF REPORT**

<table>
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<th>RRC COID: 6310</th>
<th>COMPANY NAME: TEXAS GAS SERVICE COMPANY</th>
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**TARIFF CODE:** DT  
**RRC TARIFF NO:** 10370

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

**OPERATOR NO:**
- **ORIGINAL CONTRACT DATE:** None
- **RECEIVED DATE:** 07/02/2020
- **INITIAL SERVICE DATE:** 04/01/1997
- **TERM OF CONTRACT DATE:** None
- **INACTIVE DATE:** 06/01/2020
- **AMENDMENT DATE:** None

**CONTRACT COMMENT:** None

**REASONS FOR FILING**
- **NEW FILING:** N
- **RRC DOCKET NO:** None
- **CITY ORDINANCE NO:** None
- **AMENDMENT (EXPLAIN):** Eff. 6/1/2020, revisions to rate component RGV-T-13-IS-X90
- **OTHER (EXPLAIN):** None

**PREPARER - PERSON FILING**
- **RRC NO:** 971  
- **ACTIVE FLAG:** Y  
- **INACTIVE DATE:** None
- **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:** None
- **AREA CODE:** 512  
- **PHONE NO:** 370-8280  
- **EXTENSION:** None

**CUSTOMERS**

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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 Texas Gas Service Company, a Division of ONE Gas, Inc.'s (the Company) 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 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 Frenos, 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 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 $423.35 per month
Industrial $588.83 per month
Public Authority $423.84 per month

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
II 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

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.
**RRC TARIFF NO:** 10370

**COMPANY NAME:** TEXAS GAS SERVICE COMPANY

### T-TERMS-RGV-ISOS

<table>
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<th>DESCRIPTION</th>
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<tr>
<td>2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.</td>
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<tr>
<td>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 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.</td>
</tr>
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<td>4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider RCE.</td>
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<td>5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.</td>
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**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 29, 2019 Supersedes Same Sheet Dated July 26, 2018

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**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

**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 of 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.
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.

d) Daily Quantity of Transportation Service Gas: Company shall receive and deliver gas hereunder as nearly as practicable at uniform

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) Customer's responsibilities under Section 1.5;
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. b) 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

<table>
<thead>
<tr>
<th>ID</th>
<th>TYPE</th>
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<td>Mcf</td>
<td>$5.000</td>
<td>06/01/2020</td>
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**CONFIDENTIAL**
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.
**RAILROAD COMMISSION OF TEXAS**  
**GAS SERVICES DIVISION**  
**GSD – 2 TARIFF REPORT**

<table>
<thead>
<tr>
<th>RRC COID:</th>
<th>6310</th>
<th>COMPANY NAME</th>
<th>TEXAS GAS SERVICE COMPANY</th>
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<tbody>
<tr>
<td>TARIFF CODE:</td>
<td>DT</td>
<td>RRC TARIFF NO:</td>
<td>11080</td>
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**DESCRIPTION:** Distribution Transportation  
**STATUS:** A

**AMENDMENT(EXPLAIN):** Eff. 2/1/2020, revisions to delivery point, rate component CT-T-10-IS-XA4

**NEW FILING:** N  
**CITY ORDINANCE NO:** None

**OPERATOR NO:**

- **ORIGINAL CONTRACT DATE:** 07/01/1996
- **INITIAL SERVICE DATE:** 07/01/1996
- **TERMINATION DATE:** 03/04/2020
- **TERM OF CONTRACT DATE:** 02/01/2020

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:** None

**AMENDMENT(EXPLAIN):** Eff. 2/1/2020, revisions to delivery point, rate component CT-T-10-IS-XA4

**PREPAREE - PERSON FILING**

- **RRC NO:** 971  
- **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**

<table>
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<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
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<td>DESCRIPTION</td>
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</tbody>
</table>
| T-TERMS-CTX-ISOS | TEXAS GAS SERVICE COMPANY  
Central Texas Service Area  
RANGE WITNESS 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:

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.

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 volume 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 pipeline 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.
<table>
<thead>
<tr>
<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
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<tbody>
<tr>
<td>1.4 CUSTOMER'S RESPONSIBILITY</td>
<td></td>
</tr>
<tr>
<td>Customer, by selecting service under a transportation service rate schedule by completing a Transportation Form, warrants and agrees that:</td>
<td></td>
</tr>
<tr>
<td>a) Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;</td>
<td></td>
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<tr>
<td>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;</td>
<td></td>
</tr>
<tr>
<td>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;</td>
<td></td>
</tr>
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<td>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;</td>
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<td>e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;</td>
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<td>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.</td>
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<td>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.</td>
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<td>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.</td>
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<td>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.</td>
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<td>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.</td>
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<td>c) The applicable index and Adder will be defined in the Qualified Supplier Agreement and amended from time to time.</td>
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| 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...
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 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)

CT-T-10-IS-XA4 RATE COMPONENTS

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<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
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</thead>
<tbody>
<tr>
<td>CT-T-10-IS-XA4</td>
<td>Rate Components</td>
</tr>
</tbody>
</table>

- 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

- Cost of Service Rate Adjustment: Effective July 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: 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.

- 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
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.
4) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.
**TRANSPORTATION SERVICE RATE**

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.

**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 $15.33 (Footnote 1) Total Rate $265.33
- **Industrial**: $350.00 per month plus Interim Rate Adjustments $170.96 (Footnote 2) Total Rate $520.96
- **Public Authority**: $70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 3) Total Rate $104.70
- **Public Schools Space Heat**: $200.00 per month plus Interim Rate Adjustments $34.70 (Footnote 4) Total Rate $234.70
- **Compressed Natural Gas**: $75.00 per month plus Interim Rate Adjustments $142.63 (Footnote 5) Total Rate $217.63
- **Electrical Cogeneration**: $70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 6) Total Rate $104.70

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** - $0.07720 per Ccf/month $0.06850 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.
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 IC, if applicable.

**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 - $3.75 (GUD No. 10703); 2018 IRA - $6.41 (GUD No. 10824)

Footnote 2:
2016 IRA - $65.77 (GUD No. 10610) revised to $58.71 (GUD No. 10714); 2017 IRA - $44.91 (GUD No. 10703); 2018 IRA - $67.34 (GUD No. 10824)

Footnote 3:
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714); 2017 IRA - $9.03 (GUD No. 10703); 2018 IRA - $13.21 (GUD No. 10824)

Footnote 4:
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714); 2017 IRA - $9.03 (GUD No. 10703); 2018 IRA - $13.21 (GUD No. 10824)

Footnote 5:
2016 IRA - $60.25 (GUD No. 10610) revised to $53.78 (GUD No. 10714); 2017 - $45.45 (GUD No. 10703); 2018 IRA - $43.40 (GUD No. 10824)

Footnote 6:
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714); 2017 IRA - $9.03 (GUD No. 10703); 2018 IRA - $13.21 (GUD No. 10824)

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)

Meters Read On and After
June 3, 2019 (Austin Only)
June 14, 2019 (All Other Incorporated Areas)
Supersedes Rate Schedule Dated November 30, 2018
**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.
<table>
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<tr>
<th>CUSTOMER NO</th>
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## 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:

### 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 MMButu shall mean one million (1,000,000) Btu.

### 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 MMButu). 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 pipeline 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
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.

Page 108 of 281
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 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)

CT-T-11-IS-XB4

RATES COMPONENTS

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

T-1-CTX-IS

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)

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 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
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.
**RAILROAD COMMISSION OF TEXAS**
**GAS SERVICES DIVISION**
**GSD - 2 TARIFF REPORT**

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

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**OPERATOR NO:**

| ORIGINAL CONTRACT DATE: | 09/01/1997 | RECEIVED DATE: | 12/09/2019 |
| INITIAL SERVICE DATE: | | TERM OF CONTRACT DATE: | |
| INACTIVE DATE: | | AMENDMENT DATE: | 12/05/2019 |

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** Revisions to rate component effective 12/5/2019

**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**

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1.2 DEFINITIONS

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

1.2.1 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.

1.2.2 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.

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

1.2.4 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.

1.2.5 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.

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

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

1.2.8 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.

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

1.2.10 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.

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

1.2.12 PDA: Shall mean a predetermined allocation method.

1.2.13 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.

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

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

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

1.2.17 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.

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

1.2.19 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.

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

1.2.21 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.

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

1.2.23 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.

1.2.24 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.
### CURRENT RATE COMPONENT

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<td>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.</td>
</tr>
</tbody>
</table>

#### 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 and the quantities delivered hereunder should create an imbalance at the end of any hour, Day, Week, or Month, then Company and Qualified Supplier 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.

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#### 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
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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 Incorp January 27, 2014 (T-GTC)
- CTX Environ January 2, 2003 (T-GEN-ENV)
- STX Environ January 27, 2014 (T-GTC)
- Dripping Springs Environ January 31, 2006 (T-GEN)
- Kyle/Buda Environ April 30, 2008 (T-GEN)
- STX Incorp January 27, 2014 (T-GTC)
- STX Environ January 27, 2014 (T-GTC)

**RATE COMPONENTS**

**TRANSPORTATION SERVICE RATE**

<table>
<thead>
<tr>
<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
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</thead>
<tbody>
<tr>
<td>CT-T-19-IS-MB</td>
<td>RATE COMPONENTS</td>
</tr>
<tr>
<td></td>
<td>Transportation Period: June 1, 2013 through May 31, 2023; month to month thereafter until terminated by either party upon sixty (60) days written notice.</td>
</tr>
<tr>
<td></td>
<td>Points of Receipt: Any existing delivery points into Transporter’s distribution system as mutually agreed upon by Company, Customer and Customer’s supplier.</td>
</tr>
<tr>
<td></td>
<td>Cost of Service Rate: $0.3053 per Mcf (Per 7/1/2019 COS Adjustment Filing) continuing each subsequent July thereafter during the term of this Agreement, Company may adjust the Cost of Service Rate upon thirty (30) days written notice to Customer. Adjustments to the Cost of Service Rate will not exceed five percent (5%) of the then current Cost of Service Rate.</td>
</tr>
<tr>
<td></td>
<td>Customer Charge per Meter Per Month: As specified in applicable tariffs which may be amended from time to time for the Customer Charge listed under Cost of Service Rate section.</td>
</tr>
<tr>
<td></td>
<td>Additional Charges: As specified in applicable tariffs which may be amended from time to time.</td>
</tr>
</tbody>
</table>

**TX-1-CTX-IS**

Texas Gas Service Company, a Division of ONE Gas, Inc.
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 $15.33 (Footnote 1) Total Rate $265.33
- Industrial: $350.00 per month plus Interim Rate Adjustments $170.96 (Footnote 2) Total Rate $520.96
- Public Authority: $70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 3) Total Rate $104.70
- Public Schools Space Heat: $200.00 per month plus Interim Rate Adjustments $170.96 (Footnote 4) Total Rate $370.96
- Compressed Natural Gas: $75.00 per month plus Interim Rate Adjustments $142.63 (Footnote 5) Total Rate $217.63
- Electrical Cogeneration: $70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 6) Total Rate $104.70

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: $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.
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.

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 - $3.75 (GUD No. 10703);
- 2018 IRA - $6.41 (GUD No. 10824)
### CURRENT RATE COMPONENT

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### RATE ADJUSTMENT PROVISIONS:

None
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.
### CUSTOMERS

<table>
<thead>
<tr>
<th>CUSTOMER NO</th>
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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

### DELIVERY POINTS

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DESCRIPTION:

<table>
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### TYPE SERVICE PROVIDED

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<th>TYPE OF SERVICE</th>
<th>SERVICE DESCRIPTION</th>
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<tbody>
<tr>
<td>H</td>
<td>Transportation</td>
<td></td>
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</table>
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 TARIFF NO: 19303

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

**ORIGINAL CONTRACT DATE:**  
**RECEIVED DATE:** 10/19/2017  
**INITIAL SERVICE DATE:** 01/01/2007  
**TERM OF CONTRACT DATE:**  
**AMENDMENT DATE:** 10/18/2017  
**AMENDMENT:** Rate component language updated to reflect contract language, eff. 10/18/2017

### REASONS FOR FILING

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

#### CITY ORDINANCE NO:

**AMENDMENT:** None

**OTHER:** Rate component language updated to reflect contract language, eff. 10/18/2017

### CUSTOMERS

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<td>28412</td>
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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:

1. A monthly customer charge of $150.00 per month.
2. 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;
3. Any third party demand charges, transport or service fees paid by Transporter on behalf of Shipper associated with the transportation of gas hereunder; plus
4. A lost and unaccounted for allowance of 2%

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:

(a) A monthly customer charge of $150.00 per month. For all volumes redelivered each month $1.151 per MMBtu; plus
(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
(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
(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.

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.

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 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 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
elect may 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 Incorp January 27, 2014 (T-GTC)
CTX Environ January 2, 2003 (T-GEN-ENV)
STX Environ January 27, 2014 (T-GTC)
Dripping Springs Environ January 31, 2006 (T-GEN)
Kyle/Buda Environ April 30, 2008 (T-GEN)
STX Incorp January 27, 2014 (T-GTC)
STX Environ January 27, 2014 (T-GTC)
### 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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<tr>
<td>RGV-T-32-ISOS-6000</td>
<td>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%. UNDER THIS AGREEMENT, 25,000 MMBTU/day 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/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. 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</td>
</tr>
</tbody>
</table>
### TYPE SERVICE PROVIDED

<table>
<thead>
<tr>
<th>TYPE OF SERVICE</th>
<th>SERVICE DESCRIPTION</th>
<th>OTHER TYPE DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>H</td>
<td>Transportation</td>
<td></td>
</tr>
</tbody>
</table>

### 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.
 Ef. 3/27/20, new PIT Rider rate is $0.00 and Pipeline Safety Fee rate is $1.00/meter billed during April-20 billing cycles.

 Ef. 6/3/19 for Austin I/S and 6/14/19 for all other I/S areas, new Cust Chg per 2019 GRIP for Inc. Central TX Svc Area, approved via Ords, OpLaw
APPLICABILITY
Applicable to all gas sales and standard transport customers.

TERRITORY
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,

DESCRIPTION
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
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 12/20/2016 01/06/2017
Luling 2016-0-11 12/8/16 01/06/2017
Nixon 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

T-TERMS-CTX-ISOS
TEXAS GAS SERVICE COMPANY
Central 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.

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
### RATE COMPONENT DESCRIPTION

- **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
- **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.
- **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.
- **Point of Receipt:** Shall mean the point or points where Company shall receive Gas into the Pipeline System from Customer.
- **Point of Delivery:** Shall mean the point or points where gas is delivered from the Pipeline System to Customer.
- **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.
- **Texas Gas Service Company:** Shall mean the Company approved selection of transportation service document.
- **Transportation Form:** Shall mean a transportation service rate schedule by completing a Transportation Form, warrants and agrees thereunto.
- **Transportation Rate Schedule:** A rate schedule designed for service to any Customer for the transportation of Customer-owned natural gas through the Company's pipeline 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 no make any alterations, additions, or repairs to 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.
1.6 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 Aggregation 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, Company 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.
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.

**B. CURRENT CAC RATE**

<table>
<thead>
<tr>
<th>Rate Schedule</th>
<th>Customer Class</th>
<th>*Monthly Conservation Rate</th>
</tr>
</thead>
<tbody>
<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>
</tbody>
</table>

*The Conservation Rate will change every three years, starting with meters read on and after December 31, 2018, pursuant to Rate Schedule CAC.*

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)
### 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 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, and West Lake Hills, TX.

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**RATE COMPONENT DESCRIPTION**

- **CURRENT RATE COMPONENT**
  - **RRC TARIFF NO:** 23478
  - **COMPANY NAME:** TEXAS GAS SERVICE COMPANY
  - **TARIFF CODE:** DT
  - **RRC CID:** 6310

- **RRC TARIFF NO:** 23478

- **COMPANY NAME:** TEXAS GAS SERVICE COMPANY

- **RRC CID:** 6310

- **TARIFF CODE:** DT

- **CURRENT RATE COMPONENT**

  - **RATE COMP. ID**
  - **DESCRIPTION**

    - Weatherization, low-income free equipment, and rebates on high-efficiency natural gas appliances.
    - 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.
    - Common education and administrative costs will be allocated to each rate class based upon the proportion of direct costs.
    - Actual expenditures on direct programs may vary from the budgeted amounts among approved programs of the same customer class.
    - 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.
    - 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.
    - A proposed budget shall be deemed approved if all terms and conditions are met.

  **ADJUSTMENT OF CAC CHARGE**

  - 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.

  - **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.

  **NOTICE AND REGULATORY EXPENSES**

  - The cost of any public notice issued or regulatory expenses incurred will be recovered automatically be approved for the next three-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.
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 $15.33 (Footnote 1) Total Rate $265.33
- Industrial $350.00 per month plus Interim Rate Adjustments $170.96 (Footnote 2) Total Rate $520.96
- Public Authority $ 70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 3) Total Rate 104.70
- Public Schools Space Heat $200.00 per month plus Interim Rate Adjustments $34.70 (Footnote 4) Total Rate $234.70
- Compressed Natural Gas $ 75.00 per month plus Interim Rate Adjustments $142.63 (Footnote 5) Total Rate $217.63
- Electrical Cogeneration $ 70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 6) Total Rate $104.70

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.
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.

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.
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 - $3.75 (GUD No. 10703);
- 2018 IRA - $6.41 (GUD No. 10824)

Footnote 2:
- 2016 IRA - $65.77 (GUD No. 10610) revised to $58.71 (GUD No. 10714);
- 2017 IRA - $44.91 (GUD No. 10703);
- 2018 IRA - $67.34 (GUD No. 10824)

Footnote 3:
- 2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);
- 2017 IRA - $9.03 (GUD No. 10703);
- 2018 IRA - $13.21 (GUD No. 10824)

Footnote 4:
- 2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);
Footnote 5:
2016 IRA - $60.25 (GUD No. 10610) revised to $53.78 (GUD No. 10714);
2017 - $45.45 (GUD No. 10703);
2018 IRA - $43.40 (GUD No. 10824)

Footnote 6:
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);
2017 IRA - $9.03 (GUD No. 10703);
2018 IRA - $13.21 (GUD No. 10824)

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: $0.07148 (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)

Meters Read On and After
June 3, 2019 (Austin Only)
June 14, 2019 (All Other Incorporated Areas)
Supersedes Rate Schedule Dated November 30, 2018

PsF-ALL-ISOS-PSAF Texas Gas Service Company, a Division of ONE Gas, Inc. All Service Areas

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.
**PIT-CTX-ISOS**

**DESCRIPTION**

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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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, Section101.003.

(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 Oversight and 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 Section7.315 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 Oversight and 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 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; amended to be effective January 6, 2020, 45 TexReg 121

Meters Read On and After March 27, 2020 Supersedes Same Sheet Dated March 29, 2019

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
| Description | 
|-------------|---|
| 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 pipelines 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. | 
| 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: | 
| PIT Surcharge = Total Annual Testing Expense Divided by the estimated average annual usage to produce the annual PIT Surcharge. | 
| 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 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. | 
| NOTICE TO AFFECTED CUSTOMERS | 
| 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. |
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.

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)

<table>
<thead>
<tr>
<th>ID</th>
<th>TYPE</th>
<th>UNIT</th>
<th>CURRENT CHARGE</th>
<th>EFFECTIVE DATE</th>
<th>CONFIDENTIAL</th>
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<td>Mcf</td>
<td>0.000</td>
<td>06/30/2009</td>
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**DESCRIPTION:** **CONFIDENTIAL**

| Customer | 31811 | Transportation customers within the Incorp. areas of the CENTRAL TX SVC AREA |

**TYPE SERVICE PROVIDED**

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<td>Transportation</td>
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<tr>
<td>M</td>
<td>Other(with detailed explanation)</td>
<td>Firm Transportation customers within the Incorp. areas of the CENTRAL TX SVC AREA</td>
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</tbody>
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RRC CID: 6310  COMPANY NAME: TEXAS GAS SERVICE COMPANY

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<tr>
<td>DESCRIPTION: Distribution Transportation</td>
<td>STATUS: A</td>
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OPERATOR NO:

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<tr>
<th>ORIGINAL CONTRACT DATE: 10/25/2019</th>
<th>RECEIVED DATE: 04/27/2020</th>
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<tr>
<td>INITIAL SERVICE DATE:</td>
<td>TERM OF CONTRACT DATE:</td>
</tr>
<tr>
<td>INACTIVE DATE:</td>
<td>AMENDMENT DATE: 03/27/2020</td>
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</tbody>
</table>

CONTRACT COMMENT: None

REASONS FOR FILING

NEW FILING: N  RRC DOCKET NO: 10656RC 10784GRIP 10874GR

CITY ORDINANCE NO:

AMENDMENT(EXPLAIN): Eff. 3/27/20, Pipeline Safety Fee rate is $1.00/meter billed during April-20 cycles; Eff. 4/1/20, new PIT Rider rate apprved via GUD 10656

OTHER(Explain): Eff. 10/25/2019, new Customer Chg per 2019 GRIP Filing for RGV Environs Svc Area, apprvd via GUD 10874

PREPARE - PERSON FILING

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<tr>
<th>RRC NO: 971</th>
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<th>INACTIVE DATE:</th>
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</thead>
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<tr>
<td>FIRST NAME: Christy</td>
<td>MIDDLE:</td>
<td>LAST NAME: Bell</td>
</tr>
<tr>
<td>TITLE: Rates Analyst</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADDRESS LINE 1: 1301 South Mopac Expressway</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADDRESS LINE 2: IV Barton Skyway, Suite 400</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CITY: Austin</td>
<td>STATE: TX</td>
<td>ZIP: 78746</td>
</tr>
<tr>
<td>AREA CODE: 512</td>
<td>PHONE NO: 370-8280</td>
<td>EXTENSION:</td>
</tr>
</tbody>
</table>

CUSTOMERS

<table>
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<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
<th>CONFIDENTIAL?</th>
<th>DELIVERY POINT</th>
</tr>
</thead>
<tbody>
<tr>
<td>32237</td>
<td>Firm transportation customers in the Environs of Rio Grande Valley Service Area</td>
<td>N</td>
<td></td>
</tr>
</tbody>
</table>
(a) Application of fees. Pursuant to Texas Utilities Code, Section121.211, 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 remit 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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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, Section101.003.

(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 Oversight and 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 Section7.315 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, calculated on 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 Oversight and 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; amended to be effective January 6, 2020, 45 TexReg 121

As of Meters Read On and After March 27, 2020

<table>
<thead>
<tr>
<th>RATE COMPONENT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TRANSPORTATION SERVICE RATE</strong></td>
</tr>
</tbody>
</table>

**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, 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.

**COST OF SERVICE RATE**

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

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Charge per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$400.00</td>
</tr>
<tr>
<td>Industrial</td>
<td>$400.00</td>
</tr>
<tr>
<td>Public Authority</td>
<td>$400.00</td>
</tr>
</tbody>
</table>

Plus Interim Rate Adjustment:

- Commercial: $17.81 (Footnote 1)
- Industrial: $143.98 (Footnote 2)
- Public Authority: $18.20 (Footnote 3)

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Charge per Ccf</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$0.31650 per Ccf</td>
</tr>
<tr>
<td>Industrial</td>
<td>$0.30336 per Ccf</td>
</tr>
<tr>
<td>Public Authority</td>
<td>$0.38068 per Ccf</td>
</tr>
</tbody>
</table>
ADDITIONAL CHARGES

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.

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: 2017 IRA - $6.58 (GUD No. 10784); 2018 IRA - $11.23 (GUD No. 10874)
Footnote 2: 2017 IRA - $54.40 (GUD No. 10784); 2018 IRA - $89.58 (GUD No. 10874)
Footnote 3: 2017 IRA - $6.66 (GUD No. 10784); 2018 IRA - $11.54 (GUD No. 10874)

T-TERMS-RGV-ISOS
TEXAS GAS SERVICE COMPANY
Rio Grande Valley 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:
Ader: 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.
Qualified Supplier shall act on behalf of the Customer to procure gas supplies, deliver gas supplies plus Payment in Kind volume, into

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, then 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, Company 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. 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.
**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 Texas Utilities Code Section 104.301.

**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 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.

**QUALIFYING EXPENSES**
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.

**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:

\[
PIT \text{ Surcharge} = \frac{\text{Total Annual Testing Expense}}{\text{Estimated Annual Usage}}
\]

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 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.

**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.)

PIT-Rider-RGV-ISOS
Texas Gas Service Company, a Division of ONE Gas, Inc. Rio Grande Valley Service Area

RATE SCHEDULE PIT-RIDER
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 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.

B. PIT RATE  $0.04128 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 franchise 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 April 1, 2020  Supersedes Same Schedule dated April 1, 2019
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<th>SERVICE DESCRIPTION</th>
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FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY
**RAILROAD COMMISSION OF TEXAS**  
**GAS SERVICES DIVISION**  
**GSD - 2 TARIFF REPORT**

---

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

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

**OPERATOR NO:**

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**INITIAL SERVICE DATE:**  
**TERM OF CONTRACT DATE:**  
**INACTIVE DATE:**  
**AMENDMENT DATE:** 03/27/2020

**CONTRACT COMMENT:** None

---

**REASONS FOR FILING**

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

**CITY ORDINANCE NO:**  
**AMENDMENT(EXPLAIN):** Eff. 3/27/20, Pipeline Safety Fee rate is $1.00/meter billed during April-20 cycles; Eff. 4/1/20, new PIT Rider rate approved via Settlmt Agrmt  
**OTHER(EXPLAIN):** Eff. 7/29/2019, new svc rates per 2019 COSA for Inc. RGV service area, apprvd via OpLaw

---

**PREPARER - PERSON FILING**

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**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:**

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**CUSTOMERS**

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PIT-RGV-ISOS
TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE PIT
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 Texas Utilities Code Section 104.301.

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 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, Progresso, 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.

QUALIFYING EXPENSES
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.

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:

\[
PIT \text{ Surcharge} = \frac{\text{Total Annual Testing Expense}}{\text{Estimated Annual Usage}}
\]

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 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.
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.

RATE SCHEDULE PIT-RIDER

A. APPLICABILITY 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.

B. PIT RATE $0.04128 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 franchise 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.

PAGE 150 OF 281
(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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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, Section101.003.

(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 Oversight and 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 Section7.315 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 Oversight and 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 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 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947; amended to be effective January 6, 2020, 45 TexReg 121

Meters Read On and After March 27, 2020 Supersedes Same Sheet Dated March 29, 2019

Texas Gas Service Company,
a Division of ONE Gas, Inc.
Rio Grande Valley 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 Texas Gas Service Company, a Division of ONE Gas, Inc.'s (the Company) 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 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, Palvinview, 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 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 $423.35 per month
Industrial $588.83 per month
Public Authority $423.84 per month

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
Il 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

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 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.

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
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.
- **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.
- **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...
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 Aggregation 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 Aggregation 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. 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.

---

**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 residual 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...
<table>
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<th>CURRENT RATE COMPONENT</th>
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<td>Rate Comp. ID</td>
<td>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:</td>
</tr>
</tbody>
</table>

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 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.

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 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 16, 2018

TEXAS GAS SERVICE COMPANY
Rio Grande Valley Service Area
RATE SCHEDULE ORD-RGV

CITY ORDINANCE LISTING

APPLICABILITY
Applicable to all gas sales and standard transport customers.

TERRITORY
All customers in the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Luford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progresso, 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
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**Meters Read On and After October 18, 2017**

**Supersedes Same Sheet Dated September 1, 2009**
**RAILROAD COMMISSION OF TEXAS**  
**GAS SERVICES DIVISION**  
**GSD - 2 TARIFF REPORT**

### RRC CID: 6310  
**COMPANY NAME** TEXAS GAS SERVICE COMPANY

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

**OPERATOR NO:**

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**CONTRACT COMMENT:** None

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**CITY ORDINANCE NO:**

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<td>LAST NAME:</td>
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<tr>
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<tr>
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<td>CITY:</td>
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**CUSTOMERS**

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### 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:

- **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.
- **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 predetermined allocation method.
- **PDA:** Shall mean a predetermined allocation.
- **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 pipeline 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.

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 of 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 Incorp January 27, 2014 (T-GTC)
CTX Environ January 2, 2003 (T-GEN-ENV)
STX Environ January 27, 2014 (T-GTC)
Dripping Springs Environ January 31, 2006 (T-GEN)
Kyle/Buda Environ April 30, 2008 (T-GEN)
STX Incorp January 27, 2014 (T-GTC)
STX Environ January 27, 2014 (T-GTC)
CT-T-30-IS-XAJ

RATE COMPONENTS  Transportation Period: October 1, 2019 through September 30, 2020; month to month thereafter until terminated by either party with 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: All Mcf per monthly billing period as follows: October 1, 2019 - September 30, 2020: $0.6650 per Mcf

Customer and Additional Charges: Pursuant to the applicable Rate Schedule(s).

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, a Division of ONE Gas, Inc.
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 $15.33 (Footnote 1) Total Rate $265.33
- **Industrial**: $350.00 per month plus Interim Rate Adjustments $170.96 (Footnote 2) Total Rate $520.96
- **Public Authority**: $70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 3) Total Rate $104.70
- **Public Schools Space Heat**: $200.00 per month plus Interim Rate Adjustments $34.70 (Footnote 4) Total Rate $234.70
- **Compressed Natural Gas**: $75.00 per month plus Interim Rate Adjustments $142.63 (Footnote 5) Total Rate $217.63
- **Electrical Cogeneration**: $70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 6) Total Rate $104.70

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 5,000 Ccf/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.
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.

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 - $3.75 (GUD No. 10703);
2018 IRA - $6.41 (GUD No. 10824)

Footnote 2:

2016 IRA - $65.77 (GUD No. 10610) revised to $58.71 (GUD No. 10714);
2017 IRA - $44.91 (GUD No. 10703);
2018 IRA - $67.34 (GUD No. 10824)

Footnote 3:

2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);
## CURRENT RATE COMPONENT

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<td>2017 IRA - $9.03 (GUD No. 10703); 2018 IRA - $13.21 (GUD No. 10824)</td>
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Footnote 4:
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714); 2017 IRA - $9.03 (GUD No. 10703); 2018 IRA - $13.21 (GUD No. 10824)

Footnote 5:
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Footnote 6:
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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)

Meters Read On and After
June 3, 2019 (Austin Only)
June 14, 2019 (All Other Incorporated Areas)
Supersedes Rate Schedule Dated November 30, 2018

## RATE ADJUSTMENT PROVISIONS:
None

## DELIVERY POINTS

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DESCRIPTION: **CONFIDENTIAL**

Customer 40324 **CONFIDENTIAL**

## TYPE SERVICE PROVIDED

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<th>TYPE OF SERVICE</th>
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<tbody>
<tr>
<td>H</td>
<td>Transportation</td>
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</table>
TUC 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.
<table>
<thead>
<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
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## RATE COMPONENT

**CT-T-31-OS-XAF**  
RATE COMPONENTS  
Transportation Period: June 1, 2019 through May 31, 2022; month to month thereafter until terminated by either party with 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: All Mcf per monthly billing period as follows:
- First 3,000 Mcf: $1.0273 per Mcf
- All over 3,000 Mcf: $0.8400 per Mcf

Minimum Volume Requirement: 3,000 Mcf per month

Customer Charge: Pursuant to the applicable tariff.

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.

### T-1-ENV-CTX-OS

**RATE SCHEDULE T-1-ENV**  
**Central 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 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 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.

#### 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 $15.33 (Footnote 1) Total Rate $265.33
- Industrial: $350.00 per month plus Interim Rate Adjustments $170.96 (Footnote 2) Total Rate $520.96
- Public Authority: $70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 3) Total Rate $104.70
- Public Schools Space Heat: $200.00 per month plus Interim Rate Adjustments $34.70 (Footnote 4) Total Rate $234.70
- Compressed Natural Gas: $75.00 per month plus Interim Rate Adjustments $142.63 (Footnote 5) Total Rate $217.63
- Electrical Cogeneration: $70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 6) Total Rate $104.70

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 5,000 Ccf/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);
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$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)
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.
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 than 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 Incorp January 27, 2014 (T-GTC)

CTX Environ January 2, 2003 (T-GEN-ENV)

STX Environ January 27, 2014 (T-GTC)

Dripping Springs Environ January 31, 2006 (T-GEN)

Kyle/Buda Environ April 30, 2008 (T-GEN)

STX Incorp January 27, 2014 (T-GTC)

STX Environ January 27, 2014 (T-GTC)
### 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.
**CONFIDENTIAL**

**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:

<table>
<thead>
<tr>
<th>Volume Level</th>
<th>Mcf Rate</th>
<th>Cost per Mcf</th>
</tr>
</thead>
<tbody>
<tr>
<td>First</td>
<td>8,000</td>
<td>$0.637</td>
</tr>
<tr>
<td>Next</td>
<td>8,000</td>
<td>$0.424</td>
</tr>
<tr>
<td>All Over</td>
<td>16,000</td>
<td>$0.212</td>
</tr>
</tbody>
</table>

Rate updated per 2017 COSA filing

**CURRENT RATE COMPONENT**

None

**CUSTOMERS**

<table>
<thead>
<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
<th>CONFIDENTIAL?</th>
<th>DELIVERY POINT</th>
</tr>
</thead>
<tbody>
<tr>
<td>35311</td>
<td><strong>CONFIDENTIAL</strong></td>
<td>Y</td>
<td></td>
</tr>
</tbody>
</table>

**OPERATOR NO:**

- ORIGINAL CONTRACT DATE: 12/01/2013
- RECEIVED DATE: 11/10/2017
- INITIAL SERVICE DATE: 11/09/2017
- TERM OF CONTRACT DATE: 11/09/2017
- 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 Expy
- ADDRESS LINE 2: IV Barton Skyway, Suite 400
- CITY: Austin
- STATE: TX
- ZIP: 78746
- ZIP4: 
- AREA CODE: 512
- PHONE NO: 370-8280
- EXTENSION: 

**CUSTOMER NO**

<table>
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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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<tbody>
<tr>
<td>37588</td>
<td><strong>CONFIDENTIAL</strong></td>
<td>Y</td>
<td></td>
</tr>
</tbody>
</table>
**Transportation Period:** April 1, 2020 through March 31, 2022; month to month thereafter until terminated by either party with 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:**
All Mcf per monthly billing period as follows:
- April 1, 2020 - March 31, 2021: $0.90 per Mcf
- April 1, 2021 - March 31, 2022: $1.00 per Mcf

**Customer and Additional Charges:**
Pursuant to the applicable Rate Schedule(s).

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.

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**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 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 $15.33 (Footnote 1) Total Rate $265.33
- Industrial $350.00 per month plus Interim Rate Adjustments $170.96 (Footnote 2) Total Rate $520.96
- Public Authority $70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 3) Total Rate $104.70
- Public Schools Space Heat $200.00 per month plus Interim Rate Adjustments $34.70 (Footnote 4) Total Rate $234.70
- Compressed Natural Gas $75.00 per month plus Interim Rate Adjustments $142.63 (Footnote 5) Total Rate $217.63
- Electrical Cogeneration $70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 6) Total Rate $104.70

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 5,000 Ccf/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.

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 IC, if applicable.

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 - $3.75 (GUD No. 10703);
2018 IRA - $6.41 (GUD No. 10824)

Footnote 2:
2016 IRA - $65.77 (GUD No. 10610) revised to $58.71 (GUD No. 10714);
2017 IRA - $44.91 (GUD No. 10703);
2018 IRA - $67.34 (GUD No. 10824)

Footnote 3:
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);
2017 IRA - $9.03 (GUD No. 10703);
2018 IRA - $13.21 (GUD No. 10824)

Footnote 4:
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);
2017 IRA - $9.03 (GUD No. 10703);
2018 IRA - $13.21 (GUD No. 10824)

Footnote 5:
2016 IRA - $60.25 (GUD No. 10610) revised to $53.78 (GUD No. 10714);
2017 - $45.45 (GUD No. 10703);
2018 IRA - $43.40 (GUD No. 10824)

Footnote 6:
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);
2017 IRA - $9.03 (GUD No. 10703);
2018 IRA - $13.21 (GUD No. 10824)

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)
### 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:** 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.
- **TARIF:** 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 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 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) 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 purchase such under-delivered volumes at 105% of the applicable index, plus the Adder.

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.

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 costs and fees, 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;

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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 necessary 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 differ, the customer 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.

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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 Incorp January 27, 2014 (T-GTC)
CTX Environ Januay 2, 2003 (T-GEN-ENV)
STX Environ January 27, 2014 (T-GTC)
Dripping Springs Environ January 31, 2006 (T-GEN)
Kyle/Buda Environ April 30, 2008 (T-GEN)
STX Incorp January 27, 2014 (T-GTC)
STX Environ January 27, 2014 (T-GTC)
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.
**RAILROAD COMMISSION OF TEXAS**  
**GAS SERVICES DIVISION**  
**GSD - 2 TARIFF REPORT**

**REASONS FOR FILING**

**NEW FILING:** N  
**RRC DOCKET NO:** 10527

**CITY ORDINANCE NO:** StlmtAgrmtOrdsOpLaw

**AMENDMENT(EXPLAIN):**  
Eff. 3/27/20, Rate Sched PSF-All-ISOS-PipeFee rate is $1.00/meter billed during April-20 billing cycles.

**OTHER(EXPLAIN):**  
Eff. 7/29/2019, new svc rates per 2019 COSA for Inc. Gulf Coast service area, 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**

<table>
<thead>
<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
<th>CONFIDENTIAL?</th>
<th>DELIVERY POINT</th>
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<tbody>
<tr>
<td>36693</td>
<td>Firm transportation customers in Incorporated areas of GULF COAST SVC AREA</td>
<td>N</td>
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Texas Gas Service Company, a Division of ONE Gas, Inc.
RATE SCHEDULE T-1
Gulf Coast 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 Texas Gas Service Company, a Division of ONE Gas Inc.'s (the Company) 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 in Bayou Vista, Galveston, Groves, Jamaica Beach, Nederland, Port Arthur, and Port Neches, 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:

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Charge per Meter per Month</th>
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<tbody>
<tr>
<td>Commercial</td>
<td>$297.11</td>
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<td>Industrial</td>
<td>$249.73</td>
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<tr>
<td>Public Authority</td>
<td>$302.36</td>
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</table>

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

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Charge per Ccf per Month</th>
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<tr>
<td>Commercial</td>
<td>$0.22140</td>
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<td>$0.40060</td>
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<tr>
<td>Public Authority</td>
<td>$0.15672</td>
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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 rate 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 29, 2019 Supersedes Same Rate Schedule dated July 26, 2018

1-1-GulfCst-IS-COSA
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 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 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. 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 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) Multiplied by: Tax Factor (.35 / (1-.35)) or 0.53846. 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.
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.
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<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
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<tbody>
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<tr>
<td>COMPANY NAME</td>
<td>TEXAS GAS SERVICE COMPANY</td>
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<td>CURRENT RATE COMPONENT</td>
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<td>TEXAS GAS SERVICE COMPANY</td>
</tr>
</tbody>
</table>

**A. Pipeline Safety and Regulatory Program Fee**

Pursuant to Texas Utilities Code, Section121.211, 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.

- **(A)** Application of fees.

  Pursuant to Texas Utilities Code, Section121.211, 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.

  - **(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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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, Section101.003.

  - **(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 Oversight and 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)** 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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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, Section101.003.

  - **(5)** Each operator of a natural gas distribution system 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).

  - **(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.

- **(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 $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 Oversight and 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; amended to be effective January 6, 2020, 45 TexReg 121

Meters Read On and After March 27, 2020 Supersedes Same Sheet Dated March 29, 2019

TEXAS GAS SERVICE COMPANY
Gulf Coast 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 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).

1. 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:

1. Gas received by Company for the Customer shall be free from all adverse claims, liens, and encumbrances;
2. 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;
3. 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;
4. 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
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.
RAILROAD COMMISSION OF TEXAS  
GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT  

RRC COID: 6310  
COMPANY NAME: TEXAS GAS SERVICE COMPANY  

TARIFF CODE: DT  
RRC TARIFF NO: 28875  

CURRENT RATE COMPONENT  

<table>
<thead>
<tr>
<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
</tbody>
</table>

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:  
None

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<tr>
<th>ID</th>
<th>TYPE</th>
<th>UNIT</th>
<th>CURRENT CHARGE</th>
<th>EFFECTIVE DATE</th>
<th>CONFIDENTIAL</th>
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<tbody>
<tr>
<td>91055</td>
<td>D</td>
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<td>$.0000</td>
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</table>

DESCRIPTION: **CONFIDENTIAL**

Customer 36693  
Firm transportation customers in Incorporated areas of GULF COAST SVC AREA

TYPE SERVICE PROVIDED  

<table>
<thead>
<tr>
<th>TYPE OF SERVICE</th>
<th>SERVICE DESCRIPTION</th>
<th>OTHER TYPE DESCRIPTION</th>
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</thead>
<tbody>
<tr>
<td>H</td>
<td>Transportation</td>
<td></td>
</tr>
</tbody>
</table>

TUC APPLICABILITY  

FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY
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<tr>
<th>CUSTOMER NO</th>
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<th>CONFIDENTIAL?</th>
<th>DELIVERY POINT</th>
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</thead>
<tbody>
<tr>
<td>36694</td>
<td>Firm transportation customers in Unincorporated areas of GULF COAST SVC AREA</td>
<td>N</td>
<td></td>
</tr>
</tbody>
</table>
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.
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
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 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.
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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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 Oversight and 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...
(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 Oversight and 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 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 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947; amended to be effective January 6, 2020, 45 TexReg 121

T-1-ENV-GulfCst-OS
Texas Gas Service Company, a Division of ONE Gas, Inc.
RATE SCHEDULE T-1-ENV
Gulf Coast 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 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 unincorporated areas of the Gulf Coast Service Area distribution system which includes the environs of Bayou Vista, Galveston, Groves, Jamaica Beach, Nederland, Port Arthur and Port Neches, 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:

<table>
<thead>
<tr>
<th>Class</th>
<th>Charge per Ccf per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$ 0.20185 per Ccf (Footnote 4)</td>
</tr>
<tr>
<td>Industrial</td>
<td>$ 0.37808 per Ccf (Footnote 6)</td>
</tr>
<tr>
<td>Public Authority</td>
<td>$ 0.13587 per Ccf (Footnote 8)</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Class</th>
<th>Charge per Ccf per month</th>
</tr>
</thead>
<tbody>
<tr>
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<tr>
<td>Public Authority</td>
<td>$ 0.13587 per Ccf (Footnote 8)</td>
</tr>
</tbody>
</table>
### 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); 2018 IRA - $0.87 (GUD No. 10857)

Footnote 2: 2016 IRA - $85.98 (GUD No. 10666); 2017 IRA - $29.54 (GUD No. 10781); 2018 IRA - $17.27 (GUD No. 10857)

Footnote 3: 2016 IRA - $4.66 (GUD No. 10666); 2017 IRA - $1.97 (GUD No. 10781); 2018 IRA - $1.15 (GUD No. 10857)

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)

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

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<th>RRC TARIFF NO: 29159</th>
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<td>STATUS: A</td>
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<tr>
<td>ORIGINAL CONTRACT DATE: 06/01/2016</td>
<td>RECEIVED DATE: 08/20/2019</td>
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<td>INITIAL SERVICE DATE:</td>
<td>TERM OF CONTRACT DATE:</td>
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<td>AMENDMENT DATE: 06/14/2019</td>
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<td>CONTRACT COMMENT: None</td>
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REASONS FOR FILING

NEW FILING: N | RRC DOCKET NO: 10526 RC (T-1-ENV)

CITY ORDINANCE NO: | AMENDMENT(EXPLAIN): Eff. 6/14/2019, new T-1 Cust Chg per 2019 GRIP for 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

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<tr>
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<td>36844</td>
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### RATE COMP. ID

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<tbody>
<tr>
<td>TEXAS GAS SERVICE COMPANY</td>
<td>Central Texas Service Area</td>
</tr>
<tr>
<td>RATE SCHEDULE T-TERMS</td>
<td>GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE</td>
</tr>
</tbody>
</table>

#### 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.
- **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.
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 the Company's schedules, 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 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)

CT-T-33-OS-XAK

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:

(a) During each monthly billing a customer charge per Rate Schedule T-1 ENV; 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 Shipper:

All volumes redelivered each contract year @ $0.60 per Mcf; plus

(c) All amounts for any taxes (including, but not limited to Article 6060 Tax) fees; plus

(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 (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.

(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.

(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.

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)

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.

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.

Texas Gas Service Company,
a Division of ONE Gas, Inc.
RATE SCHEDULE T-1-ENV
Central 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 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 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 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:

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<tr>
<th>CLASS</th>
<th>Charge per Ccf per Month</th>
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<tbody>
<tr>
<td>Commercial</td>
<td>$0.11614</td>
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For the First 5,000 Ccf/month, $0.07720 per Ccf
For the Next 35,000 Ccf/month $0.06850 per Ccf
For the Next 60,000 Ccf/month $0.05324 per Ccf
All Over 100,000 Ccf/month $0.04016 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 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 - $3.75 (GUD No. 10703);
018 IRA - $6.41 (GUD No. 10824)

Footnote 2: 2
016 IRA - $65.77 (GUD No.10610) revised to $58.71 (GUD No. 10714);
2017 IRA - $44.91 (GUD No. 10703);
2018 IRA - $67.34 (GUD No. 10824)

Footnote 3:
2016 IRA - $13.96 (GUD No.10610) revised to $12.46 (GUD No. 10714);
2017 IRA - $9.03 (GUD No. 10703);
2018 IRA - $13.21 (GUD No. 10824)

Footnote 4:
2016 IRA - $13.96; (GUD No.10610) revised to $12.46 (GUD No. 10714);
2017 IRA - $9.03 (GUD No. 10703);
2018 IRA - $13.21 (GUD No. 10824)

Footnote 5:
2016 IRA - $60.25 (GUD No.10610) revised to $53.78 (GUD No. 10714);
2017 IRA - $45.45 (GUD No. 10703);
2018 IRA - $43.40 (GUD No. 10824)

Footnote 6:
2016 IRA - $13.96 (GUD No.10610) revised to $12.46 (GUD No. 10714);
2017 IRA - $9.03 (GUD No. 10703);
2018 IRA - $13.21 (GUD No. 10824)

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)
### 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.
RAILROAD COMMISSION OF TEXAS
GAS SERVICES DIVISION
GSD - 2 TARIFF REPORT

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<th>TEXAS GAS SERVICE COMPANY</th>
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| 36934 | Firm transportation customers in Unincorporated areas of WEST TEXAS SVC AREA | N |
(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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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 Oversight and 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 Oversight and 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 1073; 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; amended to be effective January 6, 2020, 45 TexReg 121.

Texas Gas Service Company,
a Division of ONE Gas, Inc.
RATE SCHEDULE T-1-ENV
West 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 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 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:

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Charge per Ccf</th>
<th>Rate Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$400.00</td>
<td>T-1-ENV-WTSA-OS</td>
</tr>
<tr>
<td>plus Interim Rate Adjustments</td>
<td>$9.42 (Footnote 1)</td>
<td></td>
</tr>
<tr>
<td>Total Rate</td>
<td>$409.42</td>
<td></td>
</tr>
<tr>
<td>Cogeneration</td>
<td>$400.00</td>
<td>T-1-ENV-WTSA-OS</td>
</tr>
<tr>
<td>plus Interim Rate Adjustments</td>
<td>$9.42 (Footnote 2)</td>
<td></td>
</tr>
<tr>
<td>Total Rate</td>
<td>$409.42</td>
<td></td>
</tr>
<tr>
<td>Industrial</td>
<td>$400.00</td>
<td>T-1-ENV-WTSA-OS</td>
</tr>
<tr>
<td>plus Interim Rate Adjustments</td>
<td>$233.16 (Footnote 3)</td>
<td></td>
</tr>
<tr>
<td>Total Rate</td>
<td>$633.16</td>
<td></td>
</tr>
<tr>
<td>Public Authority</td>
<td>$400.00</td>
<td>T-1-ENV-WTSA-OS</td>
</tr>
<tr>
<td>plus Interim Rate Adjustments</td>
<td>$36.70 (Footnote 4)</td>
<td></td>
</tr>
<tr>
<td>Total Rate</td>
<td>$436.70</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Rate Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>The First 500 Ccf @ $0.08223 per Ccf (Footnote 5) All Over 500 Ccf @ $0.06223 per Ccf (Footnote 6)</td>
</tr>
<tr>
<td>Cogeneration</td>
<td>Oct. - Apr. (Winter) First 5.000 Ccf @ $0.05696 per Ccf (Footnote 7)</td>
</tr>
<tr>
<td>RATE COMP. ID</td>
<td>DESCRIPTION</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------</td>
</tr>
<tr>
<td></td>
<td>Next 95,000 Ccf @ $0.04696 per Ccf (Footnote 8)</td>
</tr>
<tr>
<td></td>
<td>Next 300,000 Ccf @ $0.03696 per Ccf (Footnote 9)</td>
</tr>
<tr>
<td></td>
<td>All Over 400,000 Ccf @ $0.02696 per Ccf (Footnote 10)</td>
</tr>
<tr>
<td>May - Sept. (Summer)</td>
<td>First 5,000 Ccf @ $0.04695 per Ccf (Footnote 11)</td>
</tr>
<tr>
<td></td>
<td>Next 95,000 Ccf @ $0.03694 per Ccf (Footnote 12)</td>
</tr>
<tr>
<td></td>
<td>Next 300,000 Ccf @ $0.02695 per Ccf (Footnote 13)</td>
</tr>
<tr>
<td></td>
<td>All Over 400,000 Ccf @ $0.01694 per Ccf (Footnote 14)</td>
</tr>
<tr>
<td>Industrial</td>
<td>The First 500 Ccf @ $0.12458 per Ccf (Footnote 15)</td>
</tr>
<tr>
<td></td>
<td>All Over 500 Ccf @ $0.10458 per Ccf (Footnote 16)</td>
</tr>
<tr>
<td>Public Authority</td>
<td>The First 500 Ccf @ $0.11461 per Ccf (Footnote 17)</td>
</tr>
<tr>
<td></td>
<td>All Over 500 Ccf @ $0.09461 per Ccf (Footnote 18)</td>
</tr>
</tbody>
</table>

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.

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); 2018 IRA - $3.35 (GUD No. 10830)

Footnote 2: 2016 IRA - $3.55 (GUD No. 10612) revised to $3.16 (GUD No. 10713); 2017 IRA - $2.91 (GUD No. 10710); 2018 IRA - $3.35 (GUD No. 10830)

Footnote 3: 2016 IRA - $89.14 (GUD No. 10612) revised to $79.31 (GUD No. 10713); 2017 IRA - $70.85 (GUD No. 10710); 2018 IRA - $83.00 (GUD No. 10830)

Footnote 4: 2016 IRA - $13.98 (GUD No. 10612) revised to $12.44 (GUD No. 10713); 2017 IRA - $11.29 (GUD No. 10710); 2018 IRA - $12.97 (GUD No. 10830)

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: $0.066993 (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)

Meters Read On and After: June 27, 2019

Supersedes Same Sheet Dated: June 26, 2018
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 nonhydrocarbon 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 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;

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
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
can 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 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 Rate Schedule T-GEN and T-GEN-ENV:

September 10, 2013, El Paso Incorp.


Texas Gas Service Company, a Division of ONE Gas, Inc. West Texas Service Area

RATE SCHEDULE PIT-RIDER
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 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.

B. PIT RATE
$(0.00016) per Ccf, (a refund) 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 27, 2020 Supersedes Rate Schedule dated March 29, 2019

PIT-WTSA-ISOS
TEXAS GAS SERVICE COMPANY
RATE SCHEDULE PIT
West 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 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.

PIT Surcharge = Total Annual Testing Expense
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 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'

RATE ADJUSTMENT PROVISIONS:
None

DELIVERY POINTS

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<tr>
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<th>CURRENT CHARGE</th>
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DESCRIPTION:
All applicable transportation delivery points within Unincorporated TGS WEST TEXAS SVC AREA

Customer 36934 Firm transportation customers in Unincorporated areas of WEST TEXAS SVC AREA

TYPE SERVICE PROVIDED

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<td>M</td>
<td>Other(with detailed explanation)</td>
<td>Firm Transportation customers in the Environs areas of West Texas Svc Area</td>
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<tr>
<td>RRC COID:</td>
<td>6310</td>
<td>COMPANY NAME:</td>
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**TUC APPLICABILITY**

FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY
RAILROAD COMMISSION OF TEXAS
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: 06/29/2020  RECEIVED DATE: 07/22/2020

INITIAL SERVICE DATE:  

TERM OF CONTRACT DATE:  

INACTIVE DATE:  

AMENDMENT DATE:  

CONTRACT COMMENT: None

REASONS FOR FILING

NEW FILING: N  RRC DOCKET NO: 10506RC, 10521(RCE)

CITY ORDINANCE NO: GRIPs via Ord, OpLaw

AMENDMENT(ExPLAIN): Eff. 6/29/2020, new Cust Chg per 2020 GRIP for Inc. WTX, apprvd via motion for El Paso, all other cities via OpLaw

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

CUSTOMER NO  CUSTOMER NAME  CONFIDENTIAL?  DELIVERY POINT

36935  Firm transportation customers in Incorporated areas of WEST TEXAS SVC AREA  N
Texas Gas Service Company, a Division of ONE Gas, Inc. West Texas Service Area

PIT-Rider WTSA ISO

RATE SCHEDULE PIT-RIDER
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 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, 4A, 4B, SS-ENV, C-1-ENV and T-1-ENV.

B. PIT RATE
$(0.00016) per Ccf, (a refund) 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 27, 2020 Supersedes Rate Schedule dated March 29, 2019

PIT WTSA ISOS

TEXAS GAS SERVICE COMPANY
RATE SCHEDULE PIT
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 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.

PIT Surcharge = Total Annual Testing Expense
### RATE COMP. ID: PSF-ALL-ISOS-PSAF

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<tr>
<td>PSF-ALL-ISOS-PSAF</td>
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</table>

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 WTSA Cities 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’

#### 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 GAS PIPELINES ONLY**

Rule Section 8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees.

Pursuant to Texas Utilities Code, Section121.211, 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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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, Section101.003.

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 Oversight and 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 Section7.315 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 Oversight and 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 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...
## 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 D
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 $13.13 (Footnote 1) Total Rate $413.13
- **Cogeneration**
  - $400.00 per month plus Interim Rate Adjustments $33.58 (Footnote 2) Total Rate $433.58
- **Industrial**
  - $400.00 per month plus Interim Rate Adjustments $51.55 (Footnote 3) Total Rate $451.55
- **Public Authority**
  - $400.00 per month plus Interim Rate Adjustments $60.55 (Footnote 4) Total Rate $460.55

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 @ $0.06322 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 @ $0.03695 per Ccf (Footnote 12)
    - Next 300,000 Ccf @ $0.02695 per Ccf (Footnote 13)
    - All Over 400,000 Ccf @ $0.01695 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.
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.

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

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### CURRENT RATE COMPONENT

**EDR-WTSA-IS-EcDev**

**Supersedes Rate Schedule** T-GEN and T-GEN-ENV:
- September 10, 2013, El Paso Incorp.

**TEXAS GAS SERVICE COMPANY** West Texas Service Area

**RATE SCHEDULE EDR ECONOMIC**

**A. APPLICABILITY**

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.

**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.

**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.

**D. EDR RATE**

The EDR rate:

During each Monthly Billing Period
- All Ccf @ $.002 per Ccf
- All applicable fees and taxes will be added to the EDR rates.

**D. BILLING**

1. The EDR rate shall be 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.

**EDIT-Rider-WTSA-IS**

**Texas Gas Service Company, a Division of ONE Gas, Inc.**

**RATE SCHEDULE EDIT-RIDER West Texas Service Area**

**EXCESS DEFERRED INCOME TAX CREDIT**

**A. APPLICABILITY**

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 City of El Paso including Rate Schedules 10, 20, 21, 30, 40, 41, 42, E5, SS, C-1, and T-1.

**B. CALCULATION OF CREDIT**

The annual amortization of the regulatory liability for excess deferred income tax resulting from the Tax Cuts and Jobs Act of 2017 and in compliance with applicable City of El Paso Resolutions, 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.

**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 the protected portion of the regulatory liability for excess deferred income taxes; and a 10-year amortization for the nonprotected portion of the regulatory liability for excess deferred income taxes.

**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: $4.58
- Commercial: $14.56
- Commercial Air Conditioning: $14.56
- Industrial: $360.25
- Public Authority: $56.27
- Public Authority Air Conditioning: $56.27
- Municipal Water Pumping: $193.61
- Fort Bliss: $32,134.98

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.

Meters Read On and After April 28, 2020

Supersedes Same Rate Schedule Dated February 4, 2019
### CUSTOMERS

<table>
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<tr>
<th>CUSTOMER NO</th>
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Texas Gas Service Company,  
a Division of ONE Gas, Inc.  
RATE SCHEDULE T-1-ENV 
Central 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 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 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.  

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 $15.33 (Footnote 1) Total Rate $265.33  
Industrial  $ 350.00 per month plus Interim Rate Adjustments $170.96 (Footnote 2) Total Rate $520.96  
Public Authority  $ 70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 3) Total Rate $104.70  
Public Schools Space Heat $ 75.00 per month plus Interim Rate Adjustments $34.70 (Footnote 4) Total Rate $109.70  
Compressed Natural Gas $ 75.00 per month plus Interim Rate Adjustments $34.70 (Footnote 5) Total Rate $109.70  
Electrical Cogeneration $ 70.00 per month plus Interim Rate Adjustments $34.70 (Footnote 6) Total Rate $104.70  

Pls - 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 - $0.10812 per Ccf (Footnote 10)  
Compressed Natural Gas - $0.06684 per Ccf (Footnote 11)  
Electrical Cogeneration -  
For the First 5,000 Ccf/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);
Footnote 2:  
2016 IRA - $65.77 (GUD No. 10610) revised to $58.71 (GUD No. 10714);  
2017 IRA - $44.91 (GUD No. 10703);  
2018 IRA - $67.34 (GUD No. 10824) 

Footnote 3:  
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);  
2017 IRA - $9.03 (GUD No. 10703);  
2018 IRA - $13.21 (GUD No. 10824) 

Footnote 4:  
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);  
2017 IRA - $9.03 (GUD No. 10703);  
2018 IRA - $13.21 (GUD No. 10824) 

Footnote 5:  
2016 IRA - $60.25 (GUD No. 10610) revised to $53.78 (GUD No. 10714);  
2017 IRA - $45.45 (GUD No. 10703);  
2018 IRA - $43.40 (GUD No. 10824) 

Footnote 6:  
2016 IRA - $13.96 (GUD No. 10610) revised to $12.46 (GUD No. 10714);  
2017 IRA - $9.03 (GUD No. 10703);  
2018 IRA - $13.21 (GUD No. 10824) 

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:  
$0.05004 (GUD No. 10526) revised to $0.04016 (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:  
$0.04016 (GUD No. 10526) revised to $0.03028 (GUD No. 10714) 

Meters Read On and After  
June 14, 2019  
Supersedes Rate Schedule Dated 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.
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

Page 228 of 281
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 Incorp January 27, 2014 (T-GTC)

CTX Environ January 2, 2003 (T-GEN-ENV)

STX Environ January 27, 2014 (T-GTC)

Dripping Springs Environ January 31, 2006 (T-GEN)

Kyle/Buda Environ April 30, 2008 (T-GEN)

STX Incorp January 27, 2014 (T-GTC)

PIT-CTX-ISOS
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 Testing Program. The operating and maintenance expense items that qualify for recovery under this Rider shall include the contractor costs associated with land and lease 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.
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 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, 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.

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 class, 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.

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. All Service Areas

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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.

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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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 Oversight and 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 Oversight and 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 by the required due date, the Commission may assess a late payment penalty to the operator.
### RAILROAD COMMISSION OF TEXAS
### 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

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**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; amended to be effective January 6, 2020, 45 TexReg 121

Meters Read On and After March 27, 2020. Supersedes Same Sheet Dated March 29, 2019

#### DELIVERY POINTS

<table>
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<tr>
<th>ID</th>
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**DESCRIPTION:** **CONFIDENTIAL**

**Customer:** 37059  **Transportation customers in the Unincorporated areas of the CENTRAL TX SVC AREA**

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<td>M</td>
<td>Other(with detailed explanation)</td>
<td>Firm Transportation customers within the Unincorporated areas of the CENTRAL TX SVC AREA</td>
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#### FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY
RRC COID: 6310  COMPANY NAME: TEXAS GAS SERVICE COMPANY

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<thead>
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OPERATOR NO:

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<td>INACTIVE DATE:</td>
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<td>AMENDMENT DATE:</td>
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CONTRACT COMMENT: None

REASONS FOR FILING

NEW FILING: N

CITY ORDINANCE NO: ORD-NTX-IS A 2018RC

AMENDMENT(EXPLAIN): Eff. 4/28/20, Rate Sched EDIT-Rider-NTX-ISOS rates to be credited during May-20 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

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CUSTOMERS

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<td>39639</td>
<td>Transportation customers in the Incorporated areas of the NORTH TX SVC AREA</td>
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Texas Gas Service Company, a Division of ONE Gas, Inc.
RATE SCHEDULE ORD-NTX North Texas Service Area

CITY ORDINANCE LISTING

APPLICABILITY
Applicable to all gas sales and standard transport customers.

TERRITORY
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.

DESCRIPTION
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>
<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>
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<tr>
<td>Breckenridge</td>
<td>18-18</td>
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<td>Graford</td>
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<td>Graham</td>
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<td>Hudson Oaks</td>
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<td>Millsap</td>
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<td>Willow Park</td>
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Meters Read On and After November 28, 2018 Initial Rate Schedule

PIT-NTX-ISOS
Texas Gas Service Company, a Division of ONE Gas, Inc.
Rate Schedule PIT

North 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 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-
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:

\[
\text{PIT Surcharge} = \frac{\text{Total Annual Testing Expense}}{\text{Estimated Annual Usage}}
\]

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 & APPLICABLE PSRC

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 Testing expenses incurred during 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.
(3) Each operator of a natural gas master meter system shall recover, as 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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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, Section101.003.

(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 Oversight and 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 Section7.315 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.
(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 Oversight and 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 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; amended to be effective January 6, 2020, 45 TexReg 121

Meters Read On and After March 27, 2020  Supersedes Same Sheet Dated March 29, 2019

Texas Gas Service Company, a Division of ONE Gas, Inc.  RATE SCHEDULE T-1
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 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.

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

Texas Gas Service Company, a Division of ONE Gas, Inc.

RATE SCHEDULE EDIT-RIDER North Texas Service Area

EXCESS DEFERRED INCOME TAX CREDIT

A. APPLICABILITY 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.

B. CALCULATION OF CREDIT 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.

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.

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: $ 4.77
Commercial: $ 23.12
Industrial: $154.44
Public Authority: $ 47.60
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
F. 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 April 28, 2020

Supersedes Same Rate Schedule Dated April 29, 2019

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.

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.
RAILROAD COMMISSION OF TEXAS  
GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT  

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

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.

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.

Initial Rate Schedule

Meters Read On and After November 28, 2018

Texas Gas Service Company, a Division of ONE Gas, Inc. RATE SCHEDULE 1-1
North Texas 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, 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.

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 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.

C. COMPONENTS OF THE RATE ADJUSTMENT

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:

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.

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 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.

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.

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
    - 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:

\[
[(C.1 \text{ Operating Expenses} + C.2 \text{ Return on Investment} + C.3 \text{ Federal Income Tax} - \text{Actual Non-Gas and Other Revenues})] \text{ divided by (1 - Texas Franchise Tax statutory rate)}
\]

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 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.

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, 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.

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.
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**DESCRIPTION:** All applicable transportation delivery points within Incorporated TGS NORTH TEXAS SVC AREA

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**TYPE OF SERVICE**

- **M**: Other (with detailed explanation)
  - Other type description: Firm Transportation customers within the Incorporated areas of the North TX SVC AREA
- **H**: Transportation

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

See 1-1-NTX-IS-COSAdj rate adjustment provision
### RRC COID: 6310
#### COMPANY NAME: TEXAS GAS SERVICE COMPANY

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### REASONS FOR FILING

**NEW FILING:** N  
**RRC DOCKET NO:** 10739RC 10875GRIP

**CITY ORDINANCE NO:**

**AMENDMENT (EXPLAIN):** Eff. 4/28/20, Rate Sched EDIT-Rider-NTX-ISOS rates to be credited during May-20 billing cycles.

**OTHER (EXPLAIN):** Eff. 10/25/2019, new T-1 Cust Chg per 2019 GRIP for North Texas Env. service area, apprvd via GUD 10875

### PREPARER - PERSON FILING

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### CUSTOMERS

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# Pipeline Safety and Regulatory Program Fees

The Railroad Commission of Texas (RRC) assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of $100 per service or service line. This fee is to support the pipeline safety and regulatory programs administered by the RRC.

**Schedule of Fees:**
- **PSF-ALL-ISOS-PSAF**
- **RRC TARIFF NO:** 31564
- **COMPANY NAME:** Texas Gas Service Company, a Division of ONE Gas, Inc. All Service Areas
- **TARIFF CODE:** DT
- **TARIFF REPORT:** GSD - 2

## Section 7.315 of this title (relating to Filing of Tariffs)

Each operator of a natural gas distribution system shall calculate the annual pipeline safety and regulatory program fee and pipeline safety and regulatory program fee amount paid to the Commission for each service (service line) as outlined in Section 7.315 of this title. The report shall show:

- The pipeline safety and regulatory program fee amount paid to the Commission;
- The total amount collected from customers for the surcharge; and
- The date or dates on which the surcharge was billed to customers.

## Subchapter C Requirements for Gas Pipelines Only

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 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.

The Commission hereby assesses each operator of a natural gas distribution system an annual pipeline safety and regulatory program fee of $100 per service or service line.

### a. 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 $100 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 fee total to be paid to the Commission on March 15 of each year.

### b. 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 on June 30 of each year.

The surcharge:

- **A.** shall be a flat rate, one-time surcharge;
- **B.** shall not exceed $1.00 per service or service line (For the calendar year 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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.

### c. Municipal franchise fees.

- **A.** shall be an annual 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.

The surcharge:

- **A.** 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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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.

### d. Coop cooperatively owned natural gas distribution systems.

- **A.** 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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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.

### e. Municipal franchise fees.

- **A.** 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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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.

### f. Coop cooperatively owned natural gas distribution systems.

- **A.** 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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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.

### g. Municipal franchise fees.

- **A.** 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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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 natural gas master meter system operator shall file with the Oversight and 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 7743; amended to be effective November 14, 2011, 36 TexReg 7663; amended to be effective November 11, 2013, 38 TexReg 7947; amended to be effective January 6, 2020, 45 TexReg 121

EDIT-Rider-NTX-ISO

Texas Gas Service Company, a Division of ONE Gas, Inc.

RATE SCHEDULE EDIT-RIDER North Texas Service Area

EXCESS DEFERRED INCOME TAX CREDIT

A. APPLICABILITY  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, Jermy, 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.

B. CALCULATION OF CREDIT  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.

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.

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.

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:  $ 4.77
Commercial:  $ 23.12
Industrial:  $154.44
Public Authority:  $ 47.60
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.
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 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 Jermy, 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:

\[
PIT \text{ Surcharge} = \frac{\text{Total Annual Testing Expense}}{\text{Estimated Annual Usage}}
\]

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.

CURRENT RATE COMPONENT

<table>
<thead>
<tr>
<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>PIT-NTX-ISOS</td>
<td>Meters Read On and After April 28, 2020</td>
</tr>
<tr>
<td></td>
<td>Supersedes Same Rate Schedule Dated April 29, 2019</td>
</tr>
<tr>
<td></td>
<td>Texas Gas Service Company, a Division of ONE Gas, Inc.</td>
</tr>
<tr>
<td></td>
<td>North Texas Service Area</td>
</tr>
</tbody>
</table>

RRC COID: 6310
COMPANY NAME: TEXAS GAS SERVICE COMPANY

TARIFF CODE: DT
RRC TARIFF NO: 31564
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 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.

Initial Rate Schedule
Meters Read On and After November 28, 2018

RCE-Rider-NTX-OS

Texas Gas Service Company, a Division of ONE Gas, Inc. North Texas Service Area
RATE SCHEDULE RCE - ENV

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:

Compliance Filing Director of Oversight and Safety Division Gas Services Dept. Railroad Commission of Texas P.O. Box 12967 Austin, TX 78711-2967

Meters Read On and After January 30, 2019 Initial Rate Schedule

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:

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Charge Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$250.00 per month</td>
</tr>
<tr>
<td>Interim Rate Adjustment (IRA)</td>
<td>$6.23 per month (Footnote 1)</td>
</tr>
<tr>
<td>Total Customer Charge</td>
<td>$256.23 per month</td>
</tr>
<tr>
<td>Industrial</td>
<td>$250.00 per month</td>
</tr>
<tr>
<td>Interim Rate Adjustment (IRA)</td>
<td>$42.93 per month (Footnote 2)</td>
</tr>
<tr>
<td>Total Customer Charge</td>
<td>$292.93 per month</td>
</tr>
<tr>
<td>Public Authority</td>
<td>$250.00 per month</td>
</tr>
<tr>
<td>Interim Rate Adjustment (IRA)</td>
<td>$13.07 per month (Footnote 3)</td>
</tr>
<tr>
<td>Total Customer Charge</td>
<td>$263.07 per month</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Charge Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$0.57978 per Ccf</td>
</tr>
<tr>
<td>Industrial</td>
<td>$0.55395 per Ccf</td>
</tr>
<tr>
<td>Public Authority</td>
<td>$0.54101 per Ccf</td>
</tr>
</tbody>
</table>

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 pursuant to the Company's rate 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: 2018 IRA - $ 6.23 (GUD No. 10875)
Footnote 2: 2018 IRA - $42.93 (GUD No. 10875)
Footnote 3: 2018 IRA - $13.07 (GUD No. 10875)

Meters Read On and After October 22, 2019 (Billing implementation October 25, 2019) Supersedes Same Sheet Dated November 28, 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 Jermy, Palo Pinto, Perrin, Possum Kingdom, Punkin Center and Whit, 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 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

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 the gas.
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 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

<table>
<thead>
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DESCRIPTION: All applicable transportation delivery points within Unincorporated TGS NORTH TEXAS SVC AREA

Customer 39638 Transportation customers in the Unincorporated areas of the NORTH TX SVC AREA

TYPE SERVICE PROVIDED

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TUC APPLICABILITY

FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY
RRC Docket No: R-024-18; 2018-12-11

City Ordinance No: Eff. 4/28/20, Rate Sched EDIT-Rider-BSSA-ISOS rates to be credited during May-20 billing cycles.

Amendment (Explain): Eff. 12/31/2018, new T-1 rate sched and T-TERMS per BSSA IS RATE CASE apprvd via Stlnt Agrmt, Ords

Other (Explain): Eff. 12/31/2018, new T-1 rate sched and T-TERMS per BSSA IS RATE CASE apprvd via Stlnt Agrmt, Ords

**Reasons for Filing**

- **New Filing:** N
- **RRC Docket No:**

**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**

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Texas Gas Service Company, a Division of ONE Gas, Inc.

**Borger/Skellytown Service Area** RATE SCHEDULE RCE - B

**RATE CASE EXPENSE SURCHARGE**

**A. APPLICABILITY**

The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinance. 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.

**B. RCE RATE**

All Ccf during each billing period: $0.0105 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, 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.

**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.

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**EDIT-Rider-BSSA-ISO**

Texas Gas Service Company, a Division of ONE Gas, Inc.

**RCE-Rider-Borger-IS**

Texas Gas Service Company, a Division of ONE Gas, Inc.

**Borger/Skellytown Service Area**

**EXCESS DEFERRED INCOME TAX CREDIT**

**A. APPLICABILITY**

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.

**B. CALCULATION OF CREDIT**

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.

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).

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: $ 2.89
Commercial: $11.95
Public Authority: $11.49
School & Municipal: $32.33
Taxes: Plus applicable taxes and fees (including franchise fees) related to above.

**D. OTHER ADJUSTMENTS**

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

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**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

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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.

Meters Read On and After April 28, 2020
Supersedes Same Rate Schedule Dated April 29, 2019

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 GAS PIPELINES ONLY
Rule Section8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees.
Pursuant to Texas Utilities Code, Section121.211, 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 2019 annual pipeline safety and regulatory program fee, billed effective with meters read on and after March 27, 2020, 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, Section101.003.

(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 Oversight and 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 Section7.315 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 Oversight and 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 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; amended to be effective January 6, 2020, 45 TexReg 121.

Meters Read On and After March 27, 2020 Supersedes Same Sheet Dated March 29, 2019

RCE-Rider-Skelly-IS
Texas Gas Service Company, a Division of ONE Gas, Inc. Borger/Skellytown Service Area
RATE SCHEDULE RCE

RATE CASE EXPENSE SURCHARGE

A. APPLICABILITY
The Rate Case Expense Surcharge (RCE) rate as set forth in Section (B) below is pursuant to City Ordinance. 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.

B. RCE RATE
All Ccf during each billing period: $0.006 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 $2,054.27 in 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.

Meters Read On and After December 31, 2018 Initial Rate Schedule

T-1-BorgSk-IS
Texas Gas Service Company, a Division of ONE Gas, Inc.
RATE SCHEDULE T-1 Borger/Skellytown 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 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.

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 - $0.29344 per Ccf
Public Authority - $0.23148 per Ccf
School and Municipal - $0.37651 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 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).

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 December 31, 2018 Initial Rate Schedule
T-TERMS-BorgSk-ISO
Texas Gas Service Company, a Division of ONE Gas, Inc.
RATE SCHEDULE T-TERMS
Borger/Skellytown 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 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.

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
### 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 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

RATE ADJUSTMENT PROVISIONS:
None

DELIVERY POINTS

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<tr>
<th>ID</th>
<th>TYPE</th>
<th>UNIT</th>
<th>CURRENT CHARGE</th>
<th>EFFECTIVE DATE</th>
<th>CONFIDENTIAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>109086</td>
<td>D</td>
<td>Ccf</td>
<td>$.0000</td>
<td>12/31/2018</td>
<td>N</td>
</tr>
</tbody>
</table>

DESCRIPTION: All applicable transportation delivery points within Incorporated TGS BORGER/SKELLYTOWN SVC AREA

Customer 39715 Transportation customers in the Inc areas of the BORGER/SKELLYTOWN SVC AREA
<table>
<thead>
<tr>
<th>RRC COID</th>
<th>COMPANY NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>6310</td>
<td>TEXAS GAS SERVICE COMPANY</td>
</tr>
</tbody>
</table>

**TARIF CODE: DT  RRC TARIFF NO: 31836**

## TYPE SERVICE PROVIDED

<table>
<thead>
<tr>
<th>TYPE OF SERVICE</th>
<th>SERVICE DESCRIPTION</th>
<th>OTHER TYPE DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>H</td>
<td>Transportation</td>
<td>Firm Transportation customers within the Incorporated areas of the BORGER/SKELLYTOWN SVC AREA</td>
</tr>
<tr>
<td>M</td>
<td>Other(with detailed explanation)</td>
<td></td>
</tr>
</tbody>
</table>

## TUC APPLICABILITY

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**
RRC COID: 6310  COMPANY NAME: TEXAS GAS SERVICE COMPANY

<table>
<thead>
<tr>
<th>TARIFF CODE:</th>
<th>RRC TARIFF NO:</th>
<th>DESCRIPTION:</th>
<th>STATUS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>DT</td>
<td>32360</td>
<td>Distribution Transportation</td>
<td>A</td>
</tr>
</tbody>
</table>

**OPERATOR NO:**

- **ORIGINAL CONTRACT DATE:** 02/28/2019
- **RECEIVED DATE:** 06/12/2020
- **INITIAL SERVICE DATE:**
- **TERM OF CONTRACT DATE:**
- **INACTIVE DATE:**
- **AMENDMENT DATE:** 04/28/2020

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

- **NEW FILING:** N
- **RRC DOCKET NO:** 10766RC
- **CITY ORDINANCE NO:**
- **AMENDMENT(EXPLAIN):** Eff. 4/28/20, Rate Sched EDIT-Rider-BSSA-ISOS rates to be credited during May-20 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**

<table>
<thead>
<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
<th>CONFIDENTIAL?</th>
<th>DELIVERY POINT</th>
</tr>
</thead>
<tbody>
<tr>
<td>39890</td>
<td>Transportation customers in the Env. areas of the BORGER/SKELLYTOWN SVC AREA</td>
<td>N</td>
<td></td>
</tr>
</tbody>
</table>
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 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.

COST OF SERVICE RATE

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

<table>
<thead>
<tr>
<th>Class</th>
<th>Charge per Meter per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Classes</td>
<td>$250.00</td>
</tr>
<tr>
<td>Plus - All Ccf</td>
<td>$0.29344 per Ccf</td>
</tr>
<tr>
<td>Commercial</td>
<td>$0.23148 per Ccf</td>
</tr>
<tr>
<td>Public Authority</td>
<td>$0.23148 per Ccf</td>
</tr>
</tbody>
</table>

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 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.

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 Excess Deferred Income Tax Rider (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.
A. APPLICABILITY

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.

B. RCE RATE

All Ccf during each billing period: $ 0.0104 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, 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.

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. 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:

Compliance Filing
Director of Oversight and Safety Division
Gas Services Dept.
Railroad Commission of Texas
P.O. Box 12967
Austin, TX 78711-2967

Meters Read On and After February 28, 2019 Initial Rate Schedule

Texas Gas Service Company, a Division of ONE Gas, Inc.

RATE SCHEDULE T-TERMS

Borger/Skellytown 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 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.
RAILROAD COMMISSION OF TEXAS
GAS SERVICES DIVISION
GSD - 2 TARIFF REPORT

<table>
<thead>
<tr>
<th>RRC COID: 6310</th>
<th>COMPANY NAME: TEXAS GAS SERVICE COMPANY</th>
</tr>
</thead>
<tbody>
<tr>
<td>TARIFF CODE: DT</td>
<td>RRC TARIFF NO: 32360</td>
</tr>
</tbody>
</table>

**CURRENT RATE COMPONENT**

<table>
<thead>
<tr>
<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Commission or The Commission: The Railroad Commission of Texas.</td>
<td></td>
</tr>
<tr>
<td>Company: Texas Gas Service Company, a Division of ONE Gas, Inc.</td>
<td></td>
</tr>
<tr>
<td>Customer: Any person or organization now being billed for gas service whether used by him or her, or by others.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Consumption Period: Shall mean a volumetric billing period.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Dekatherm (Dth): Shall mean 1,000,000 Btu's (1 MMBtu). This unit will be on a dry basis.</td>
<td></td>
</tr>
<tr>
<td>Electronic Flow Measurement (EFM): A device that remotely reads a gas meter.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Mcf: Shall mean one thousand (1,000) cubic feet of Gas</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Payment in Kind (PIK): Shall mean a reimbursement for lost and unaccounted for gas.</td>
<td></td>
</tr>
<tr>
<td>PDA: Shall mean a predetermined allocation method.</td>
<td></td>
</tr>
<tr>
<td>Pipeline System: Shall mean the current existing utility distribution facilities of Company located in the State of Texas.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Point Operator: Shall mean the person or entity that controls the Point of Receipt or Point of Delivery.</td>
<td></td>
</tr>
<tr>
<td>Qualified Supplier: Shall mean an approved supplier of natural gas for transportation to customers through the Company’s pipeline system.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Service Area: The area receiving gas utility service provided by the Company under the terms of this Tariff.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Transportation Form: Shall mean the Company approved selection of transportation service document.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Transportation Service: The transportation by the Company of natural gas owned by someone other than the Company through the Company’s distribution system.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
</tbody>
</table>
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. 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;


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 February 28, 2019

EDIT-Rider-BSSA-ISO

EDIT-Rider-BSSA-ISO

EDIT-Rider-BSSA-ISO

EDIT-Rider-BSSA-ISO

EDIT-Rider-BSSA-ISO

tex. Gas Service Company, a Division of ONE Gas, Inc.

Supersedes Same Rate Schedule dated December 31, 2018 (Borger/Skellytown Incorporated Areas) none

RATE SCHEDULE EDIT-RIDER Borger/Skellytown Service Area

EXCESS DEFERRED INCOME TAX CREDIT

A. APPLICABILITY

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.

B. CALCULATION OF CREDIT

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.
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).

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: $2.89
   Commercial: $11.95
   Public Authority: $11.49
   School & Municipal: $32.33
   Taxes: Plus applicable taxes and fees (including franchise 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.

Meters Read On and After April 28, 2020

Supersedes Same Rate Schedule Dated April 29, 2019

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 GAS PIPELINES ONLY
Rule Section 8.201 Pipeline Safety and Regulatory Program Fees

(a) Application of fees.
   Pursuant to Texas Utilities Code, Section121.211, 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 2019 annual pipeline safety and regulatory program fee,
billed effective with meters read on and after March 27, 2020, 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, Section101.003.

(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 Oversight and 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 Section7.315 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 Oversight and 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 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;amended to be effective January 6, 2020, 45 TexReg 121

Meters Read On and After March 27, 2020 Supersedes Same Sheet Dated March 29, 2019

None

Page 273 of 281
### Delivery Points

<table>
<thead>
<tr>
<th>ID</th>
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<th>Confidential</th>
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<td>Ccf</td>
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<td>All applicable transportation delivery points within Unincorporated TGS BORGER/SKELLYTOWN SVC AREA</td>
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#### Type of Service Provided

<table>
<thead>
<tr>
<th>Type of Service</th>
<th>Service Description</th>
<th>Other Type Description</th>
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<td>H</td>
<td>Transportation</td>
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<tr>
<td>M</td>
<td>Other(with detailed explanation)</td>
<td>Firm Transportation customers within the Unincorporated areas of the BORGER/SKELLYTOWN SVC AREA</td>
</tr>
</tbody>
</table>

#### TUC Applicability

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

- Customer 39890: Transportation customers in the Env. areas of the BORGER/SKELLYTOWN SVC AREA
**RAILROAD COMMISSION OF TEXAS**  
**GAS SERVICES DIVISION**  
**GSD - 2 TARIFF REPORT**

<table>
<thead>
<tr>
<th>RRC TARIFF NO: 32611</th>
<th>COMPANY NAME: TEXAS GAS SERVICE COMPANY</th>
</tr>
</thead>
</table>

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

**OPERATOR NO:**

- **ORIGINAL CONTRACT DATE:** 05/22/2019  
- **RECEIVED DATE:** 06/21/2019

**AMENDMENT DATE:**

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

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

- **NEW FILING:** Y  
- **RRC DOCKET NO:**

**CITY ORDINANCE NO:** None  
**AMENDMENT(EXPLAIN):** TGS filed 5/22/19 for Initial Rates in City of Beaumont - New T-TERMs and standard transport rates eff 5/22/19 via operation of law  
**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**

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<tr>
<th>CUSTOMER NO</th>
<th>CUSTOMER NAME</th>
<th>CONFIDENTIAL?</th>
<th>DELIVERY POINT</th>
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<td>40120</td>
<td>Transportation customers in the Inc. areas of Beaumont</td>
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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.
(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.

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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 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 the City of Beaumont.

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;
<table>
<thead>
<tr>
<th>RATE COMP. ID</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>e) Customer acknowledges the Qualified Supplier's responsibilities under Section 1.5;</td>
<td></td>
</tr>
<tr>
<td>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;</td>
<td></td>
</tr>
<tr>
<td>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;</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
</tbody>
</table>

### 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) 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 22, 2019    Initial Rate Schedule

Texas Gas Service Company, a Division of ONE Gas, Inc.          RATE SCHEDULE T-1
City of Beaumont

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 Texas Gas Service Company, a Division of ONE Gas, Inc's (the Company) 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 distribution system in the incorporated area of Beaumont, 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 - 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 area of Beaumont, Texas, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.

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 May 22, 2019    Initial Rate Schedule

RATE ADJUSTMENT PROVISIONS:

None
### delivery points

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<thead>
<tr>
<th>ID</th>
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<th>UNIT</th>
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<th>DESCRIPTION</th>
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<td>05/22/2019</td>
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<td>All applicable transportation delivery points within Incorporated BEAUMONT</td>
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**customer**

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<th>TYPE</th>
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<td>40120</td>
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<td></td>
<td>Transportation customers in the Inc. areas of Beaumont</td>
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### type of service provided

<table>
<thead>
<tr>
<th>TYPE OF SERVICE</th>
<th>SERVICE DESCRIPTION</th>
<th>OTHER TYPE DESCRIPTION</th>
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<tbody>
<tr>
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<tr>
<td>M</td>
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<td>Firm Transportation customers within the Incorporated areas of the BEAUMONT SVC AREA</td>
</tr>
</tbody>
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### TUC applicability

**Facts supporting section 104.003(b) applicability**