

CenterPoint Energy

(Name of Utility Organization or Other Serving Agency)

Mississippi
Public Service Commission

P. S. C. SCHEDULE NUMBER MT-3

ORIGINAL

DATE ISSUED

MISSISSIPPI GAS

(Rate Area to Which Schedule is Applicable)

SUPERSEDES

SCHEDULE NO.

DATE ISSUED

SCHEDULE CONSISTS OF 4 SHEETS

TYPE UTILITY SERVICE **Gas**

(Electric, Gas, Telephone, Water, Sewer)

CLASS OF SERVICE **Transportation**

(Residential, Commercial, Industrial, Rural)

(This space for statement of availability, character of service, rate, minimum charge, terms of payment, special conditions, and minimum contract period pertinent to the application of this particular rate schedule)

**NATURAL GAS TRANSPORTATION SERVICE
RATE SCHEDULE MT-3**

AVAILABILITY

Service under this Rate Schedule shall be available only for transportation and redelivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY –Mississippi Gas (“Company”) at existing city gate stations or other facilities of adequate capacity and suitable pressure.

APPLICATION

This Rate Schedule is applicable to gas transportation service, where (a) a written Transportation Service Agreement (“Agreement”) has been executed after September 30, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.

DEFINITIONS

For definitions of terms contained in this Rate Schedule, see the *General Terms and Conditions for Transportation Service* (“General Terms”).

NET MONTHLY RATE

The Net Monthly Rate for gas transported under this Rate Schedule shall be a monthly service charge of \$1,000.00 plus a rate per MMBtu for all gas transported and redelivered to the facilities of an End-use Customer during a billing period equal to the sum of:

- | | | | |
|-----|-------------------|---|------------------------|
| (i) | First 3,000 MMBtu | @ | \$0.50 per MMBtu |
| | Next 3,000 MMBtu | @ | \$0.25 per MMBtu |
| | Over 6,000 MMBtu | @ | \$0.10 per MMBtu; plus |

and
(ii) Payments To Governmental Authorities, as defined in this Rate Schedule and the General Terms.

and
(iii) Other Charges, if any, as defined in this Rate Schedule.

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and
(iv) Capacity Assignment costs, if any, as defined in this Rate Schedule.

PAYMENTS TO GOVERNMENTAL AUTHORITIES

As provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an End-Use Customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such End-Use Customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.

OTHER CHARGES

Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.

BILLING AND PAYMENT

Company's invoices will be based on the quantity of MMBtu redelivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within ten (10) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may immediately suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.

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ISSUED BY James M. Fine

(Name)

Vice President

(Title)

216 Woodgate Dr. South, Brandon, MS 39042

(Address)

Date Effective

Date Approved

Authority No.

NATURAL GAS ACT

Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a "Natural Gas Company" under the Natural Gas Act, 15 U.S.C. §717 *et seq.* or otherwise subject Company, in its sole determination, to the rate jurisdiction of the Federal Energy Regulatory Commission or successor federal regulatory agency.

WRITTEN SERVICE AGREEMENT

Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, *inter alia*, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said agreement expires.

CAPACITY ASSIGNMENT

Any Shipper providing transportation service to an end user who was previously a sales customer of Company shall bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of those sales volumes to transportation volumes, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Upon request, Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to usage, demand, timing, and other factors.

CURTAILMENT

In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).

MEASUREMENT

The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt

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CONTINUATION OF SCHEDULE MT-3

SHEET 4 of 4 SHEETS

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MEASUREMENT (cont'd)

Point and redelivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.

GENERAL TERMS AND CONDITIONS

Service under the Rate Schedule is furnished in accordance with the Company's *General Terms*, as amended from time to time.

FINAL

ISSUED BY James M. Fine

(Name)

Vice President

(Title)

216 Woodgate Dr. South, Brandon, MS 39042

(Address)

Date Effective

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