

Irrigation and or Agricultural Product Driers Rate Schedule IA-3

AVAILABILITY

This schedule is available in the Louisiana Division of Reliant Energy Entex, a division of Reliant Energy Resources Corp. (hereinafter called "Company").

APPLICATION

This natural gas rate schedule is applicable to any commercial or large volume customer that will use natural gas solely for the pumpage of agricultural irrigation water and/or for the drying of agricultural products. Company, and only Company, shall determine the applicability of this rate schedule by reviewing the customer's end-use requirements for conformance to those stated hereunder. The firm seasonal natural gas delivered hereunder is for the individual use of the customer at one point of delivery and shall not be resold or shared with others.

NET MONTHLY RATE

Customer Charge: \$20.00 per month

The Net Monthly Rate per Mcf for all gas sold and delivered by Company to Customer hereunder during a billing period shall be the sum of (i) one dollar and seventy-five cents (\$1.75) per Mcf; plus (ii) Company's weighted average cost of natural gas, as defined in this rate schedule; plus (iii) applicable transportation costs, as defined in this rate schedule; plus (iv) applicable taxes, as defined in this rate schedule.

MONTHLY MINIMUM BILL

No monthly bill shall be rendered for natural gas service under this rate schedule for an amount less than \$20.00 net.

WEIGHTED AVERAGE COST OF NATURAL GAS

The term "weighted average cost of natural gas" shall mean, for a billing period, Company's weighted average cost of natural gas per unit sold paid to Company's supplier or suppliers of natural gas purchased by Company for resale under this rate schedule.

APPLICABLE TRANSPORTATION COSTS

The term "applicable transportation costs" shall mean, for a billing period, Company's cost per unit sold for transportation services (including exchanges, backhauls, displacement or other methods of transportation), if any, for the natural gas delivered by Company to Consumer under this rate schedule. Such transportation costs shall include applicable costs, if any, for fuel use, line loss and shrinkage and shall be adjusted to correct any prior variations between estimated and actual transportation costs.

TAX ADJUSTMENT

In addition to the payments provided for above, the customer shall reimburse the Company for the customer's proportionate part of any payments made to any governmental authority covering any tax, charge, impost, assessment or fee paid under any law, ordinance or agreement and any increase in the rate of any such tax, charge, impost, assessment or fee (except ad valorem taxes, net income taxes or occupational license taxes collected by a municipality under the provisions of R.S. 47:358) imposed against the Company or which directly affects the Company's cost of operations.

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MEASUREMENT

The term "cubic feet" represents the amount of gas required to fill a cubic foot space when the gas is at a base pressure of 4 ounces per square inch gauge and at an assumed temperature of 60° Fahrenheit.

In the event that the gas delivered to the customer is measured at a pressure in excess of 4 ounces per square inch gauge, the measurement of gas shall be on the same basis as that outlined in rate schedules for Large Volume Natural Gas Service.

TERMS OF PAYMENT

To arrive at the gross monthly rate, the above stated net monthly rate shall be increased by 5% and such gross rate shall be collected from any consumer who fails to pay his bill in full within twenty (20) days of date of bill.

RULES AND REGULATIONS

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations as filed with the Louisiana Public Service Commission.