

SMALL VOLUME FIRM / INTERRUPTIBLE SALES SERVICE

Availability

Small Volume Firm / Interruptible Sales Service is available to commercial and industrial customers with requirements of 25 Therms an hour or more and peak day requirements less than 2,000 Therms, contingent on an adequate gas supply and distribution system capacity. This rate schedule shall apply to gas service consisting of a base level of firm gas volumes, supplemented by interruptible volumes.

Customers that use, for reasons of price, an alternative energy supply (other than biomass energy) shall be limited to gas service under the Market Rate Service Rider for a period of one (1) year.

Rate

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
Less than 120,000 Therms	\$55.50		
Firm Volumes		\$0.15354	\$0.40159
Interruptible Volumes		\$0.12421	\$0.30026
Greater than or equal to 120,000 Therms	\$88.50		
Firm Volumes		\$0.15354	\$0.40159
Interruptible Volumes		\$0.11497	\$0.30026

Interim Surcharge

Effective January 1, 2020, customers' bills will be increased on an interim basis by 13.7% on the monthly basic charge, the GAP charge, and the delivery charge per therm. Any sales tax and franchise fees will be calculated on the increased bill.

If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-19-524) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Therm Factor Adjustment:

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

Special Conditions Firm Volumes:

- 1) Customer will elect a base level of daily firm service on or before September 1 of each year. This base level becomes effective with the subsequent November billing month and remains in effect for one year. The minimum base level of daily firm service will be 25 therms.

The first volumes through the meter, on a daily basis, are firm volumes until the base level of firm is reached. All volumes used after the base level is reached are interruptible volumes.

Special Conditions Interruptible Volumes:

- 1) Customer must have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment. Customer further agrees to curtail the use of gas on one (1) hour's notice when requested by CenterPoint Energy. On an annual basis, the customer shall provide an annual attestation to CenterPoint Energy that it has fully functioning back-up equipment and/or the ability to curtail natural gas use when requested. The operation and functionality of the back-up equipment is the sole responsibility of the interruptible customer. Failure to maintain this equipment or failure to curtail represents a breach of the terms of interruptible service and may result in termination of the service contract.
- 2) For purposes of calculating any curtailment penalty, if a partial day curtailment is called, the customer's daily firm volume allotment will be prorated by, and applied to, the number of hours remaining in the gas day when the curtailment goes into effect. A partial day curtailment means a curtailment that is effective any time after 9:00 AM (Central Time).
- 3) If a customer fails to discontinue use of gas within one hour of being requested to do so by CenterPoint Energy, the customer will be deemed to have taken Unauthorized Gas. The penalty for unauthorized use of gas will be:
 - a. For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$3.00 per Therm.
 - b. For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$6.00 per Therm.
 - i. For purposes of this provision, the gas year is the twelve-month period beginning November 1 each year.
 - c. Further, CenterPoint Energy shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after being requested to do so.

Special Conditions Interruptible Volumes (Continued)

- 4) Customers must maintain three (3) current contacts to receive notice of curtailment. If the customer does not have three qualified contacts, the customer shall provide an annual attestation to CenterPoint Energy that it is unable to have three qualified contacts and the customer understands they are required to curtail service when requested. The Company will make an annual request that customers confirm that contact information.

Special Conditions Firm and Interruptible

Customer must install telemetry equipment. Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing service to the customer. This investment shall remain the property of CenterPoint Energy.

Due Date

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the AutoPay option may select a due date which is greater than five days before the next scheduled billing date.

Late Payment Charge

Delinquent amounts are subject to a late payment charge of 1.5% or \$1.00, whichever is greater. No late payment charge will be applied if the delinquent amount is \$10.00 or less.

All payments received will be credited against the oldest outstanding account balance before application of any late payment charge. The late payment charge will be assessed on unpaid amounts at the next scheduled billing date.

Franchise Fee

A franchise fee will be added to the monthly bill computed at this rate schedule for those communities that impose a franchise fee.

Purchased Gas Adjustment Rider

The above rate is subject to the Purchased Gas Adjustment Rider at Section V, Page 22. Bills will be automatically increased or decreased as provided in the rate adjustment clause to reflect changes in the cost of purchased gas.

Gas Affordability Rider

All customer bills under this rate are subject to the adjustment provided for in the Gas Affordability Program Rider, Section V, Pages 25-25.b.

Conservation Improvement Adjustment Rider

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

Revenue Decoupling Rider

All customer bills under this rate are subject to the Revenue Decoupling Rider, Section V, Page 28.

Contract

Customers must sign a separate contract for Firm/Interruptible Sales Service to each delivery point, with a minimum contract term of one (1) year.