

**CENTERPOINT ENERGY ENTEX
TRANSPORTATION SERVICE
SOUTH TEXAS DIVISION
RATE SCHEDULE NO. T-92 S-22**

AVAILABILITY

Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to **CENTERPOINT ENERGY ENTEX** (herein "Company") at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.

APPLICATION

This Rate Schedule is applicable to gas transportation service, where (a) a written Transportation Service Agreement and Exhibit A (hereinafter "Agreement") have been executed 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 or Delivery Points in Company's Beaumont/East Texas, South Texas, Houston or Texas Coast Divisions, as defined in the contract contemplated hereby, to a campus or campuses of a public school district that is eligible to purchase State Royalty Gas; (d) where the actual aggregated annual consumption at the Delivery Point or Delivery Points will be, based on Company's best estimate, at least 50 MMBtu per day; and (e) 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") contained in Company's *Texas Rate Book* for this Rate Schedule.

NET MONTHLY RATE

Effective with all bills calculated on and after June 16, 2022, the Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer with a CD, as defined herein, during a billing period shall be equal to the sum of:

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| (i) | Customer Charge | @ | \$2,610.83; |
| (ii) | Administrative Charge | @ | \$15.0000/MMBtu of Contract Demand, as defined herein; |
| (iii) | Distribution Charge | @ | \$0.2500/MMBtu |
| (iv) | Payments to Government Authorities, as defined herein. | | |

CONTRACT DEMAND

Each individually metered point of delivery or aggregated points of delivery shall have a Contract Demand ("CD") calculated in MMBtu and equal to the higher of:

- (i) The Initial CD shall equal the average daily usage of the individually metered point of delivery or aggregated points of delivery for the sixty (60) month period ended June 30, 2018 for all gas consumed;
 - a. for individually metered points of delivery or aggregated points of delivery that have at least twelve (12) months of gas consumption but less than sixty (60) months of gas consumption, the Initial CD shall equal the average daily usage of the individually metered point of delivery or aggregated points of delivery for the period in which the point(s) have been consuming natural gas and will updated annually every July 1 until there is a history of sixty (60) months of gas consumption;
 - b. for individually metered points of delivery or aggregated points of delivery that have gas consumption measured in Mcf but do not gas consumption measured in MMBtu, the MMBtu for those months that were measured in Mcf only shall be calculated by multiplying each month's measured Mcf by an assumed Btu factor of 1.025;

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CONTRACT DEMAND (cont'd)

- c. for individually metered points of delivery or aggregated points of delivery that are new to the distribution system and have no current gas consumption, the Initial CD shall be specified in the initial Exhibit A, as described in the Company's *General Terms and Conditions for Transportation Service* for this Rate Schedule;
 - d. for individually metered points of delivery or aggregated points of delivery that experience an operational change that materially affects the level of natural gas usage by the individually metered point of delivery or aggregated points of delivery; then a new Initial CD shall be calculated taking into account those operational changes; such Initial CD shall remain in effect until the individually metered points of delivery or aggregated points of delivery have at least twelve (12) months of measured MMBtu under the new level of natural gas usage;
- (ii) Beginning July 1, 2019 and each July 1 thereafter, the Replacement CD shall equal the average daily usage of the individually metered point of delivery or aggregated points of delivery for the sixty (60) month period ended June 30 of the most recent calendar year available. The Replacement CD will not become effective until the Initial CD calculation of the individually metered point of delivery or aggregated points of delivery includes sixty (60) months of measured MMBtu.
- (iii) In no instance shall the Initial CD or the Replacement CD be less than 50 MMBtu.

ANNUAL RATE ADJUSTMENT

The Customer Charge in this rate schedule may be adjusted annually to recover the cost of changes in investment in service for gas utility services. The annual adjustment will be the same as any annual incremental change in the Customer Charge for General Service Large Volume Sales customers in the CenterPoint Energy Operating Division in which the individually metered point of delivery or aggregated points of delivery are located.

EQUIVALENT QUANTITY OF NATURAL GAS

The term "Equivalent Quantity of Natural Gas" shall mean that quantity of natural gas in MMBtu which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) of the quantity of natural gas delivered by Shipper to the Receipt Point for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.

PAYMENTS TO GOVERNMENTAL AUTHORITIES

In addition to the amounts 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.

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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 analog telemetering service, discontinuance of transportation service, re-institution of transportation service and imbalances.

BILLING AND PAYMENT

Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) 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 suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.

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.*

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 contract expires.

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 upstream pipeline 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 Point and delivered 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 and Conditions for Transportation Service*, as amended from time to time.