

Natural Gas Transportation Benefits for

YOU

CenterPoint Energy's Transportation Services



Natural gas delivery process

- Supplier injects gas into upstream pipeline
- Upstream pipeline delivers gas to a city gate of CenterPoint Energy
- CenterPoint Energy moves gas from one of its city gates to the customer's end-use delivery point

What is Natural Gas Transportation Services?

CenterPoint Energy's Transportation Services offers qualifying end-use commercial and industrial customers a choice for their natural gas supply. By providing access to competitive natural gas suppliers, CenterPoint Energy enables customers to maximize the value of their natural gas consumption.

When enrolled in Transportation Services, end-use customers may select from a list of active, competitive natural gas suppliers who use CenterPoint Energy's natural gas distribution system to ship natural gas to the end-use customer's facility.

Benefits of Transportation Services

The option to choose a natural gas supplier provides your operation with cost-effective flexibility to tailor supply requirements to meet business needs. Qualified customers enjoy a variety of benefits including:

- Potential monetary savings generated through a competitively priced commodity supply
- Direct control of commodity pricing decisions
- Increased flexibility to address volatile market conditions
- Potential state and local tax savings
- Personalized LDC (Local Distribution Company) service through a dedicated key account manager

How it works

Who qualifies for Natural Gas Transportation Services?

Transportation Services is a choice and participation is not a requirement for natural gas service. If an end-use customer declines to participate in Transportation Services, they will continue to receive the same safe, reliable natural gas sales services provided by CenterPoint Energy to all customers through the Sales Supply Option, which bundles all natural gas supply costs into one invoice, including distribution charges, upstream pipeline charges and natural gas commodity charges.

In Texas, any individual commercial and industrial (end-use) meter that uses 10 Mcf per day average or 3,650 Mcf per year can qualify.

LEARN MORE

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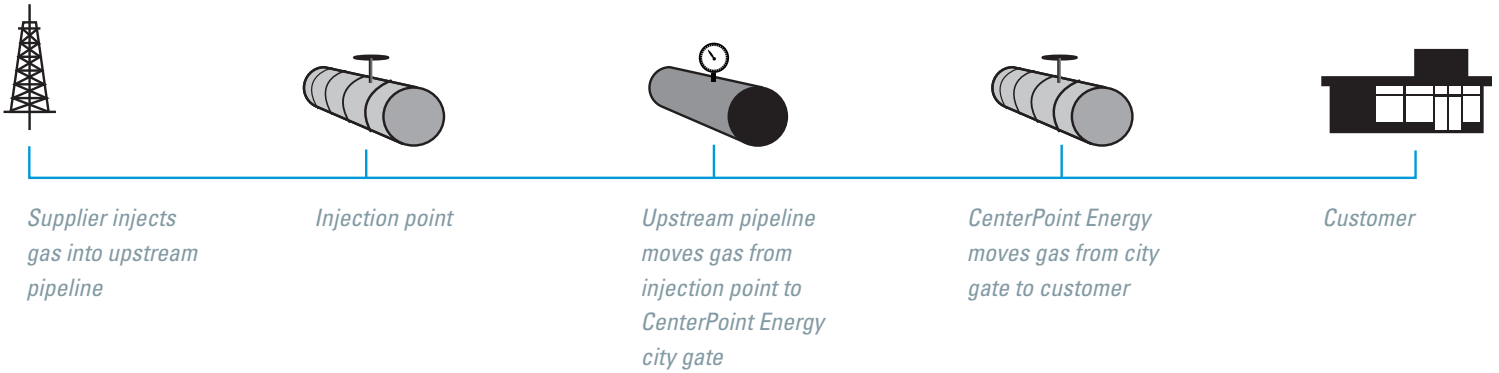
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What's the difference between Sales Supply and Transportation Supply?

Sales Supply Option

CenterPoint Energy will bundle all of the above natural gas supply costs onto one invoice. This invoice would include CenterPoint Energy distribution charges, upstream pipeline charges and gas commodity charges. *Note: Distribution charges are the only portion that provides CenterPoint Energy with revenue margin. Upstream pipeline charges and natural gas commodity costs are passed through to the customer with no markup in price.*

Transportation Supply Option

CenterPoint Energy will unbundle service so that qualified customers may contract separately for their natural gas supply. This option allows the qualified end-use customer to choose the party from which they purchase natural gas and CenterPoint Energy acts as the transporter to deliver that natural gas from the city gate to the qualified customer.

Will my utility rate change?

Yes, you will be moved to a transportation service rate and there may be an upstream pipeline capacity charge in the form of a volumetric charge. The distribution rates are as follows, including upstream pipeline charges:

HOUSTON (METRO) T-90 A 10-49 Mcf per day

Monthly Customer Charge\$300.00: plus
 Administrative Charge..... \$17.5000/MMBtu of Contract Demand
 First 750 MMBtu@\$0.7500 per MMBtu
 Next 750 MMBtu.....@\$0.6000 per MMBtu
 Over 1,500 MMBtu@\$0.4500 per MMBtu

T-90 B 50-99 Mcf per day

Monthly Customer Charge\$1,125.00: plus
 Administrative Charge \$6.2500/MMBtu of Contract Demand
 All Volume @\$0.3500 per MMBtu

T-90 C 100 Mcf per day or greater

Monthly Customer Charge\$1,125.00: plus
 Administrative Charge \$4.0000/MMBtu of Contract Demand
 All Volume \$0.1125 per MMBtu

RURAL (NON-METRO) T-91 A 10-49 Mcf per day

Monthly Customer Charge\$300.00: plus
 Administrative Charge..... \$14.0000/MMBtu of Contract Demand
 First 750 MMBtu@\$0.6000 per MMBtu
 Next 750 MMBtu.....@\$0.4000 per MMBtu
 Over 1,500 MMBtu@\$0.2000 per MMBtu

T-91 B 50-99 Mcf per day

Monthly Customer Charge\$1,125.00: plus
 Administrative Charge \$6.5000/MMBtu of Contract Demand
 All Volume\$0.1500 per MMBtu

T-91 C 100 Mcf per day or greater

Monthly Customer Charge\$1,125.00: plus
 Administrative Charge \$5.5000/MMBtu of Contract Demand
 All Volume@\$0.1000 per MMBtu

Accessing your daily usage

CenterPoint Energy will also install a telemetry unit to measure daily natural gas volumes. The customer will have access, via internet, to their daily gas usage volumes, which may be helpful in controlling energy costs.