



505 Nicollet Mall  
P.O. Box 59038  
Minneapolis, MN 55459-0038

September 8, 2016

Mr. Dan Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 East Seventh Place, Suite 350  
St. Paul, MN 55101

**RE: Petition for Approval to Establish a New Base Gas Cost in Compliance with the Commission Order in CenterPoint Energy's General Rate Filing  
Docket No. G-008/GR-15-424  
Docket No. G-008/MR-16-\_\_\_\_\_**

Dear Mr. Wolf,

In Compliance with the Commission Order in Docket No. G-008/GR-15-424 and pursuant to Minn. Rules Pt. 7820.1300 Miscellaneous Tariff Change, Minn. Rules Pt. 7825.2700 Subpt. 2, New Base Gas Cost and Minn. Rules Pt. 7825.3200 (B), Miscellaneous Rate Change, CenterPoint Energy submits for filing a Notice of Miscellaneous Rate Change requesting approval from the Minnesota Public Utilities Commission (Commission) to implement a new base gas cost.

This miscellaneous filing matches CenterPoint Energy's final approved retail billing rates with the gas costs used to recalculate final revenue in Docket No. G-008/GR-15-424. The base cost of gas recovery rates and supporting schedules are included with no Purchased Gas Adjustment (PGA) since the actual PGA in effect when final rates become effective cannot be known at this time. The PGA in effect when final rates become effective will reflect the current cost of gas and the 2015-2016 Gas Cost Reconciliation (GCR) factors implemented on September 1, 2016. Pursuant to Minnesota Rules 7825.2700, subp. 2, the commodity base-cost and demand base-cost are stated separately for each customer class.

If you have any questions or require additional information, please contact me at (612) 321-4677 or [Kevin.Marquardt@CenterPointEnergy.com](mailto:Kevin.Marquardt@CenterPointEnergy.com).

Sincerely,

/s/

Kevin Marquardt  
Regulatory Analyst, Regulatory Services  
CenterPoint Energy

Enclosures  
cc: Service List

**COMPLIANCE FILING**

Docket No. G-008/GR-15-424

Docket No. G-008/GR-16-\_\_\_\_\_

CENTERPOINT ENERGY

Notice of Miscellaneous Rate Change Requesting Approval to Establish a New Base Gas Cost to Coincide with the Implementation of New Base Billing Rates in Docket No. G-008/GR-15-424

**Exhibits:**

- A. Affidavit of Service and Service List
- B. Information Required by Minn. R. pt. 7829.1300
- C. Information Required by Minn. R. pt. 7825.3200 (B)
- D. Proposed Tariff Sheets
- E. Additional Information

**EXHIBIT A**

Affidavit of Service

Service List

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF HENNEPIN    )

Kevin Marquardt, being first duly sworn on oath, deposes and says he served the foregoing document on the attached list of persons by e-filing and depositing a true and correct copy thereof, with postage paid in the United States mail at City of Minneapolis, Minnesota to those on the service list requesting paper service.

/s/ \_\_\_\_\_  
Kevin Marquardt, Regulatory Analyst

Subscribed and sworn to before me  
This 8<sup>th</sup> day of September, 2016

/s/ \_\_\_\_\_  
Mary Jo, Schuh  
Notary Public

My Commission Expires 1/31/2020

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
David	Aafedt	daafedt@winthrop.com	Winthrop & Weinstine, P.A.	Suite 3500, 225 South Sixth Street  Minneapolis, MN 554024629	Electronic Service	No	SPL_SL_15-424_Interested Parties
Tamie A.	Aberle	tamie.aberle@mdu.com	Great Plains Natural Gas Co.	400 North Fourth Street  Bismarck, ND 585014092	Electronic Service	No	SPL_SL_15-424_Interested Parties
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	SPL_SL_15-424_Interested Parties
Angie	Beehler	N/A	Wal-Mart	Energy Dept. 0550 2001 S.E. 10th Street Bentonville, AR 72716	Paper Service	No	SPL_SL_15-424_Interested Parties
James J.	Bertrand	james.bertrand@leonard.com	Leonard Street & Deinard	150 South Fifth Street, Suite 2300  Minneapolis, MN 55402	Electronic Service	No	SPL_SL_15-424_Interested Parties
Brenda A.	Bjorklund	brenda.bjorklund@centerpointenergy.com	CenterPoint Energy	800 LaSalle Ave FL 14  Minneapolis, MN 55402	Electronic Service	No	SPL_SL_15-424_Interested Parties
William A.	Blazar	bblazar@mnchamber.com	Minnesota Chamber Of Commerce	Suite 1500 400 Robert Street North St. Paul, MN 55101	Electronic Service	No	SPL_SL_15-424_Interested Parties
C. Ian	Brown	local340@integra.net	United Association	Gas Workers Local 340 312 Central Avenue Southwest Minneapolis, MN 55414	Paper Service	No	SPL_SL_15-424_Interested Parties
Leigh	Currie	lcurrie@mncenter.org	Minnesota Center for Environmental Advocacy	26 E. Exchange St., Suite 206  St. Paul, Minnesota 55101	Electronic Service	No	SPL_SL_15-424_Interested Parties
Jeffrey A.	Daugherty	jeffrey.daugherty@centerpointenergy.com	CenterPoint Energy	800 LaSalle Ave  Minneapolis, MN 55402	Electronic Service	No	SPL_SL_15-424_Interested Parties

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
William	Davis	N/A	Community Action of Minneapolis	505 East Grant St Ste 100 Minneapolis, Minnesota 55405	Paper Service	No	SPL_SL_15-424_Interested Parties
Marie	Doyle	marie.doyle@centerpointenergy.com	CenterPoint Energy	800 LaSalle Avenue P O Box 59038 Minneapolis, MN 554590038	Electronic Service	No	SPL_SL_15-424_Interested Parties
Ronald B.	Edelstein		GTI	1700 South Mount Prospect Road  Des Plains, IL 60018	Paper Service	No	SPL_SL_15-424_Interested Parties
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500  Saint Paul, MN 551012198	Electronic Service	Yes	SPL_SL_15-424_Interested Parties
Edward	Garvey	garveyed@aol.com	Residence	32 Lawton St  Saint Paul, MN 55102	Electronic Service	No	SPL_SL_15-424_Interested Parties
Vincent R.	Guertin		Local 949 IBEW	12908 Nicollet Avenue South  Burnsville, MN 55337	Paper Service	No	SPL_SL_15-424_Interested Parties
Annete	Henkel	mui@mutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St.Paul, MN 55101	Electronic Service	No	SPL_SL_15-424_Interested Parties
Bruce L.	Hoffarber		U.S. Energy Services, Inc.	Suite 1200 605 North Highway 169 Plymouth, MN 55441	Paper Service	No	SPL_SL_15-424_Interested Parties
Mary	Holly	mholly@winthrop.com	Winthrop & Weinstine, P.A.	225 S Sixth St Ste 3500  Minneapolis, MN 55402	Electronic Service	No	SPL_SL_15-424_Interested Parties
Eric	Jensen	ejensen@iwla.org	Izaak Walton League of America	Suite 202 1619 Dayton Avenue St. Paul, MN 55104	Electronic Service	No	SPL_SL_15-424_Interested Parties

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc.	202 South Main Street P.O. Box 68 Le Sueur, MN 56058	Electronic Service	No	SPL_SL_15-424_Interested Parties
Roger	Leider	roger@mnpropane.org	Minnesota Propane Association	PO Box 220 209 N Run River Dr Princeton, MN 55371	Electronic Service	No	SPL_SL_15-424_Interested Parties
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	SPL_SL_15-424_Interested Parties
Michael	Loeffler	mike.loeffler@nngco.com	Northern Natural Gas Co.	CORP HQ, 714 1111 So. 103rd Street Omaha, NE 681241000	Electronic Service	No	SPL_SL_15-424_Interested Parties
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E  St. Paul, MN 55106	Electronic Service	No	SPL_SL_15-424_Interested Parties
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St  Duluth, MN 558022093	Electronic Service	No	SPL_SL_15-424_Interested Parties
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	SPL_SL_15-424_Interested Parties
Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc.	PO Box 68 202 South Main Street Le Sueur, MN 56058	Electronic Service	No	SPL_SL_15-424_Interested Parties
Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy	26 E Exchange St, Ste 206  St. Paul, MN 551011667	Electronic Service	No	SPL_SL_15-424_Interested Parties
Peggy	Sorum	peggy.sorum@centerpointenergy.com	CenterPoint Energy	800 LaSalle Avenue PO Box 59038 Minneapolis, MN 554590038	Electronic Service	No	SPL_SL_15-424_Interested Parties

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
James M.	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	470 U.S. Bank Plaza 200 South Sixth Street Minneapolis, MN 55402	Electronic Service	No	SPL_SL_15-424_Interested Parties
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	SPL_SL_15-424_Interested Parties
Samantha	Williams	swilliams@nrdc.org	Natural Resources Defense Council	20 N. Wacker Drive Ste 1600 Chicago, IL 60606	Electronic Service	No	SPL_SL_15-424_Interested Parties
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	SPL_SL_15-424_Interested Parties
Jonathan	Wolfgram	Jonathan.Wolfgram@state.mn.us	Department of Public Safety	445 Minnesota Street Suite 147  St. Paul, MN 55101-1547	Electronic Service	No	SPL_SL_15-424_Interested Parties



## **EXHIBIT B**

Information Required by Minn. R. pt. 7829.1300

**CENTERPOINT ENERGY  
NOTICE OF MISCELLANEOUS TARIFF CHANGE**

Pursuant to Minnesota Rules Part 7829.1300, CenterPoint Energy provides the following information:

**7829.1300 Miscellaneous Tariff and Price List Filings**

Subp. 1 ***Summary.***

**A miscellaneous tariff filing and price list filing must include, on a separate page, a one-paragraph summary of the filing, sufficient to apprise potentially interested parties of its nature and general content.**

A one-paragraph summary is attached to this filing pursuant to Minn. Stat. § 216B.50 and related Minnesota Rules 7825.1600 to 1800.

Subp. 2 ***Service.***

**The filing party shall serve copies of each miscellaneous filing on which commission action is required within 60 days of filing, on the persons on the applicable general service list, on the department, and on the Office of the Attorney General. For other filings, the filing party may serve the summary described in subpart 1 on persons on the applicable general service list. The filing party shall serve with the filing or the summary a copy of its general service list for the filing.**

A copy of this filing has been served on all parties on the enclosed service list.

Subp. 3 ***Content of filing subject to specific requirements.***

**In addition to complying with specific requirements imposed by statute or rule, miscellaneous filings must contain at least the following information:**

- A. **the name, address, and telephone number of the filing party, without abbreviation;**

CenterPoint Energy, a division of CenterPoint Energy Resources Corp., a Delaware Corporation  
505 Nicollet Mall  
P.O. Box 59038  
Minneapolis, MN 55459-0038  
(612) 372-4664

- B. **the name, address, electronic address, and telephone number of any attorney that represents the filing party in the matter, if so represented;**

Steven Clay  
505 Nicollet Mall  
P.O. Box 59038  
Minneapolis, MN 55459-0038  
(612) 321-4606  
[steven.clay@centerpointenergy.com](mailto:steven.clay@centerpointenergy.com)

- C. **the date of the filing and the date the proposed rate or service change, if**

**any, will go into effect;**

**Date Filed:**

September 8, 2016

**Effective Date:**

December 1, 2016

- D. the statute that the utility believes controls the time frame for processing the filing;**

The statute that the utility believes controls the time frame for processing the filing: Minnesota Statute §216B.16.

- E. the signature, electronic address, and title of the utility employee responsible for the filing; and**

/s/

Kevin Marquardt

Regulatory Analyst, Regulatory Services

CenterPoint Energy

505 Nicollet Mall

Minneapolis, MN 55402

(612) 321-4677

[Kevin.Marquardt@CenterPointEnergy.com](mailto:Kevin.Marquardt@CenterPointEnergy.com)

- F. if the contents of the filing are not established by statute or another commission rule, a description of the filing, its impact on rates and services, its impact on any affected person, and the reasons for the filing.**

N/A

**CENTERPOINT ENERGY  
NOTICE OF MISCELLANEOUS TARIFF CHANGE**

This Notice is filed pursuant to Minn. Stat. (MS) §216B.08 and MS §216B.16. The information required by Minn. R. pt. 7829.1300 is as follows:

7829.1300 MISCELLANEOUS TARIFF AND PRICE LIST FILINGS

Subpart 1. Summary

CenterPoint Energy requests Commission approval to establish a New Base Gas Cost to coincide with the implementation of final rates in Docket No. G-008/GR-15-424.

## **EXHIBIT C**

Information Required by Minn. R. pt. 7825.3200 (B) Miscellaneous Rate Changes

**CENTERPOINT ENERGY  
NOTICE OF MISCELLANEOUS TARIFF CHANGE**

This Notice is filed pursuant to Minn. Stat. (MS) §216B.08 and MS §216B.16. The information required by Minn. R. pt. 7825.3200 (B) is as follows:

**7825.3200 Notice of Change in Rates**

**B. Miscellaneous rate changes**

**(1) Proposal for change in rates as prescribed by part 7825.3500;**

**7829.3500 Proposal for Change in Rates**

The utility's proposal for a change in rates shall summarize the notice of change in rates and shall include the following information:

- A. **name, address, and telephone number of the utility without abbreviation and the name and address and telephone number of the attorney for the utility, if there be one;**

CenterPoint Energy, a division of CenterPoint Energy Resources Corp.,  
a Delaware Corporation  
505 Nicollet Mall  
P.O. Box 59038  
Minneapolis, MN 55459-0038  
(612) 372-4664

Steven Clay  
505 Nicollet Mall  
P.O. Box 59038  
Minneapolis, MN 55459-0038  
(612) 321-4606  
[steven.clay@centerpointenergy.com](mailto:steven.clay@centerpointenergy.com)

- B. **date of filing and date modified rates are effective;**

Date Filed: September 8, 2016

Effective Date: December 1, 2016

- C. **description and purpose of the change in rates requested;**

CenterPoint Energy requests approval to establish New Base Gas Costs in compliance with the Commission Order in Docket No. G-008/GR-15-424. This filing matches CenterPoint Energy's final approved retail-billing rates with the gas costs used to calculate final revenue in Docket No. G-008/GR-15-424.

- D. **effect of the change in rates expressed in gross revenue dollars**



## **EXHIBIT D**

Proposed Tariff Sheets





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CENTERPOINT ENERGY (CONTINUED)

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## Contact List

The following person should be contacted in connection with questions pertaining to the contents of this rate book:

Mr. Jeff Daugherty  
Director, Regulatory Affairs  
CenterPoint Energy Minnesota Gas  
~~800 LaSalle Avenue~~505 Nicollet Mall  
Minneapolis, Minnesota 55402

**Normal Gas Service Line**

A gas service pipe installed in a straight line from the gas main to a normal gas meter location.

**Notices**

Unless otherwise specified, any notice from CenterPoint Energy to a customer, or from a customer to CenterPoint Energy, may be oral or written.

A written notice from CenterPoint Energy may either be delivered or mailed to the customers' last known address. A written notice from the customer may either be delivered or mailed to CenterPoint Energy's main office, ~~800 LaSalle Avenue, Floor 11, 505 Nicollet Mall~~, P.O. Box 59038, Minneapolis, Minnesota, 55459-0038, or to any of its branch, local or regional offices.

**Person**

An individual person, firm, association, partnership, corporation, any agency or political subdivision of the federal, state or local government or any applicant or customer as herein defined.

**Premises**

The structure or structures owned or occupied by a person including the lot or land upon which they are situated and all other land owned or occupied by the persons contiguous thereto.

**Regular Construction Season**

The period beginning April 1 and ending October 31 of each year.

**Commission or PUC**

The Minnesota Public Utilities Commission

**Date Issued**

The date the rate schedule, contract, agreement, etc. is submitted to the Commission.

**CenterPoint Energy**  
**Rate Schedules and Applicable Provisions**

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Daily Balancing Service Rider _____	21

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Purchased Gas Adjustment Rider _____	22
Statement of Purchased Gas Adjustment _____	23
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Gas Affordability Program _____	25 – 25.b
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Revenue Decoupling (RD) Rider _____	28 – 28.a
Supplied Meter Communication Rider _____	29

## RESIDENTIAL SALES SERVICE

### Availability:

Residential Sales Service is available upon request to Residential Firm customers contingent on an adequate gas supply and distribution system capacity.

### Rate:

MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
\$9.50	<del>\$0.184580</del> .20648	<del>\$0.425430</del> .36640

### Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 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.

### Minimum Monthly Bill:

When no consumption occurs during the billing month, the Monthly Basic Charge of \$9.50 will apply.

### 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.

'Delinquent amount' is the portion of a customer's account representing charges for gas service past due. For customers on the Average Monthly Billing or a deferred payment schedule, 'delinquent amount' is the lesser of the unpaid account balance or past due scheduled payments.

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 rates are 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 and fuel for supplemental 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.

### Conservation Enabling Rider:

~~—All customer bills under this rate are subject to the Conservation Enabling Rider, Section V, Page 27.~~

### Revenue Decoupling Rider:

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

**SMALL VOLUME COMMERCIAL AND INDUSTRIAL SALES SERVICE**

**Availability:**

Small Volume Commercial and Industrial Sales Service is available to Commercial and Industrial firm customers whose peak day requirements are less than 2000 therms contingent on an adequate gas supply and distribution system capacity.

Customers whose daily requirements exceed 500 therms and have annual usage greater than or equal to 5000 therms 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 1500 Therms	\$15.00	<del>\$0.141290.20658</del>	<del>\$0.426650.36700</del>
Equal to or greater than 1500 Therms and less than 5000 Therms	\$21.00	<del>\$0.133290.16740</del>	<del>\$0.426650.36700</del>
Greater than or equal to 5000 Therms	\$43.00	<del>\$0.139690.15429</del>	<del>\$0.423340.36563</del>

**Interim Surcharge:**

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 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.

**Minimum Monthly Bill:**

When no consumption occurs during the billing month, the Monthly Basic Charge applicable as listed above will apply.

**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.

'Delinquent amount' is the portion of a customer's account representing charges for gas service past due. For customers on the Average Monthly Billing or a deferred payment schedule, 'delinquent amount' is the lesser of the unpaid account balance or past due scheduled payments.

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 rates are 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 and fuel for supplemental 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.

**Conservation Enabling Rider:**

~~All customer bills under this rate are subject to the Conservation Enabling Rider, Section V, Page 27.~~

**Revenue Decoupling Rider:**

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

## LARGE GENERAL FIRM SALES SERVICE

### Availability:

Large General Firm Sales Service is available to Commercial and Industrial firm customers whose peak day requirements are greater than or equal to 2000 therms, contingent on an adequate gas supply and distribution system capacity. Customers must provide telemetering or agree to have telemetering installed at the customer's expense.

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:

	MONTHLY BASIC CHARGE	DELIVERY CHARGE	COST OF GAS
	\$ 800.00		
Demand charge (of billing demand)		\$0.42539	<del>\$0.5609</del> <u>\$0.56090</u>
Commodity charge (per therm)		<del>\$0.050340</del> <u>\$0.07257</u>	<del>\$0.341840</del> <u>\$0.28936</u>

### Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 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.

### Minimum Monthly Bill:

When no consumption occurs during the billing month, the Monthly Basic Charge plus the Monthly Demand Charge will apply.

### Billing Demand:

The demand in therms for billing purposes shall be the customer's highest daily usage during the preceding calendar year.

### 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.

'Delinquent amount' is the portion of a customer's account representing charges for gas service past due. For customers on the Average Monthly Billing or a deferred payment schedule, 'delinquent amount' is the lesser of the unpaid account balance or past due scheduled payments.

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 rates are 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 and fuel for supplemental 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 with the exception of customers taking Market Rate Service, (Section V, Page 11) are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.



**SMALL VOLUME DUAL FUEL SALES SERVICE**

**Availability:**

Small Volume Dual Fuel Sales Service is available to commercial and industrial customers on an interruptible basis with requirements of 25 Therms an hour or more and peak day requirements are less than 2,000 Therms.

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	\$ 50.00	<del>\$0.114090.12455</del>	<del>\$0.360590.30324</del>
Greater than or equal to 120,000 Therms	\$ 80.00	<del>\$0.106970.11453</del>	<del>\$0.360590.30324</del>

**Interim Surcharge:**

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 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:**

- 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.
- 2) 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 \$1.00 per Therm.
  - b) For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.

**SMALL VOLUME DUAL FUEL SALES SERVICE (CONTINUED)****Special Conditions (continued):**

For purposes of this provision, the gas year is the twelve month period beginning November 1 each year.

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.

- 3) Customers who purchase gas for use in their own compressor facilities for compressed natural gas motor fuel must have a dual fuel burning capability for fleet vehicles using compressed natural gas, and must have the ability to curtail the use of gas for this purpose on one (1) hour's notice when required to do so by CenterPoint Energy.
- 4) 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.

**Conservation Improvement Adjustment Rider:**

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

**Revenue Decoupling (RD) Rider:**

All customers under this rate are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

**Contract:**

Customers must sign a separate contract for Small Volume Dual Fuel Sales Service to each delivery point, with a minimum contract term of one (1) year.

## 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	\$50.00		
Firm Volumes		<del>\$0.139690.15429</del>	<del>\$0.423340.36563</del>
Interruptible Volumes		<del>\$0.114090.12455</del>	<del>\$0.360590.30324</del>
Greater than or equal to 120,000 Therms	\$ 80.00		
Firm Volumes		<del>\$0.139690.15429</del>	<del>\$0.423340.36563</del>
Interruptible Volumes		<del>\$0.106970.11453</del>	<del>\$0.360590.30324</del>

### Interim Surcharge:

Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 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:

- 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:

- 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.
- 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:
  - For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$1.00 per Therm.
  - For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.
    - For purposes of this provision, the gas year is the twelve-month period beginning November 1 each year.
  - 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 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.

**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 Small Volume Firm/Interruptible Sales Service to each delivery point, with a minimum contract term of one (1) year.

## LARGE VOLUME DUAL FUEL SALES SERVICE

### Availability:

Large Volume Dual Fuel Sales Service is available, on an interruptible basis, to commercial and industrial customers whose peak day requirements exceed 1,999 Therms, contingent on an adequate gas supply and distribution system capacity.

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:

MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
\$800.00	<del>\$0.050340</del> <u>.07257</u>	<del>\$0.341840</del> <u>.28936</u>

### Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 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:

- 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.
- 2) 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 \$1.00 per Therm.
  - b. For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.

For purposes of this provision, the gas year is  
 the twelve month period beginning November 1 each year.

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.

**LARGE VOLUME DUAL FUEL SALES SERVICE (CONTINUED)****Special Conditions (continued):**

- 3) Customers who purchase gas for use in their own compressor facilities for compressed natural gas motor fuel must have a dual fuel burning capability for fleet vehicles using compressed natural gas, and must have the ability to curtail the use of gas for this purpose on one (1) hour's notice when required to do so by CenterPoint Energy.
- 4) 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 rates are 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.

**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 with the exception of customers taking Market Rate Service, (Section V, Page 11) are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

**Contract:**

Customers must sign a separate contract for Large Volume Dual Fuel Sales Service to each delivery point, with a minimum contract term of one (1) year.

## MARKET RATE SERVICE RIDER

### AVAILABILITY:

Available to any customer who either receives interruptible service or whose daily requirements exceed 500 Therms and maintains or plans on acquiring the capability to switch to alternate energy supplies or service, except indigenous biomass energy supplies, at comparable prices from a supplier not regulated by the Commission. Such customer is deemed to be subject to "effective competition."

### Rate:

	BASIC CHARGE	DELIVERY CHARGE (PER THERM)	
		MINIMUM	MAXIMUM
Small Volume C/I Sales Service Annual usage greater or equal to 5,000 therms	\$43.00	\$0.00500	\$0.274380.30358
Small Volume C/I Transportation Serv. Annual usage greater or equal to 5,000 therms	\$143.00	\$0.00500	\$0.274380.30358
Large General Firm Sales Service	\$800.00		
Demand <sup>(1)</sup>		\$0.0000	\$0.85078
Commodity		\$0.00500	\$0.095680.14014
Large General Firm Transportation Serv.	\$900.00		
Demand <sup>(1)</sup>		\$0.0000	\$0.85078
Commodity		\$0.00500	\$0.095680.14014
Small Vol. Dual Fuel Sales Service Annual usage less than 120,000 therms	\$50.00	\$0.00500	\$0.223180.24410
Annual usage greater than or equal to 120,000 therms	\$80.00	\$0.00500	\$0.208940.22406
Small Vol. Dual Fuel Transportation Serv. Annual usage less than 120,000 therms	\$150.00	\$0.00500	\$0.223180.24410
Annual usage greater than or equal to 120,000 therms	\$180.00	\$0.00500	\$0.208940.22406
Large Vol. Dual Fuel Sales Service	\$800.00	\$0.00500	\$0.095680.14014
Large Vol. Dual Fuel Transportation Serv.	\$900.00	\$0.00500	\$0.095680.14014

(1) Per therm of Billing Demand

### Interim Surcharge:

Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 customer for the difference.

Cost of Gas as listed on the applicable Sales or Transportation Service tariff.

### Special Conditions:

- 1) Any customer receiving service under this Rider must accept all gas service according to the terms and conditions contained herein and under the applicable Sales or Transportation Service tariff. This Rider supersedes the tariff only where the two are in conflict; in all other cases, the terms of the tariff shall apply.
- 2) Any customer changing from this Rider to the applicable Sales or Transportation Service tariff must notify CenterPoint Energy in writing (facsimile acceptable) of the proposed change at least thirty (30) days in advance.
- 3) CenterPoint Energy will notify customers a minimum of two (2) days (or less if agreed to by both parties) in advance of implementation of a change in negotiated rates.
- 4) In the event a customer receives service from CenterPoint Energy during a period for which there is no explicit price agreement, for any gas received the customer will pay the maximum delivery charge as described above, plus the applicable basic charge and cost of gas.
- 5) Customers must enter into this service for a minimum of one (1) year.

Minimum and Maximum delivery charge (per Therm) rates do not include applicable Conservation Cost Recovery Charge (CCRC), Conservation Cost Recovery Adjustment (CCRA), or Gas Affordability Program (GAP) charges.



**CONSERVATION IMPROVEMENT PROGRAM ADJUSTMENT RIDER**

**Applicability:**

Applicable to bills for gas and/or transportation service provided under the Company’s retail rate schedules.

Exemptions are as follows:

“Large Energy Facility”, as defined in Minn. Stat. 216B.2421 customers shall receive a monthly exemption from conservation improvement program (CIP) charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Upon exemption from conservation program charges, the “Large Energy Facility” customers can no longer participate in any utility’s Energy Conservation Improvement Program.

“Large Customer Facility” customers that have been exempted from the Company’s CIP charges pursuant to Minn. Stat. 216B.241, subd. 1a (b) shall receive a monthly exemption from CIP charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Such monthly exemption will be effective beginning January 1 of the year following the grant of exemption. Upon exemption from the conservation program charges, the “Large Customer Facility” customers can no longer participate in CenterPoint Energy’s Energy Conservation Improvement Program.

Minnesota Stat. 216B.241, subd. 1a(c) which allows exemption of certain commercial gas customers does not apply to CenterPoint Energy because the Company’s customer count exceeds the 600,000 level set in statute.

**Rate:**

BASE CHARGE PER THERM (CCRC)	ADJUSTMENT (CCRA)
<del>\$0.019500</del> <u>0.01928</u>	\$0.01021

**Interim Surcharge:**

~~Effective October 2, 2015, customers’ bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 customer for the difference.~~

**Rider:**

A Conservation Improvement Program Adjustment which shall be included on each non-exempt customer’s monthly bill. The applicable factor shall be multiplied by the customer’s monthly billing in Therms for gas service before any adjustments, surcharges or sales tax.

**Determination of Conservation Cost Recovery Charge (CCRC or Base Charge per Therm):**

The CCRC is the amount included in base rates dedicated to the recovery of CIP costs as approved by the Minnesota Public Utilities Commission in the Company’s last general rate case. The CCRC is approved and applied on a per therm basis by dividing test-year CIP expenses by the test-year sales volumes (net of CIP-exempt volumes). All revenue received from the CCRC shall be credited to the CIP tracker account.



**SMALL VOLUME FIRM TRANSPORTATION SERVICE**

**Availability:**

Available to any firm customer whose peak day requirements are less than 2000 therms for the delivery of gas owned by the customer from a CenterPoint Energy Town Border Station(s) to a meter location on the customer's premise.

**Rate:**

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS DEMAND CHARGE
Less than 1500 Therms	\$115.00	<del>\$0.141290.20658</del>	<del>\$0.076460.07523</del>
Equal to or greater than 1500 Therms and less than 5000 Therms	\$121.00	<del>\$0.133290.16740</del>	<del>\$0.076460.07523</del>
Greater than or equal to 5000 Therms	\$143.00	<del>\$0.139690.15429</del>	<del>\$0.076460.7523</del>

**Interim Surcharge:**

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 customer for the difference.~~

**Special Conditions:**

- 1) Customer will provide CenterPoint Energy's Transportation Services Department in writing (or by electronic communication) with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.
- 2) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.
- 3) If customer is an existing customer, taking services under the firm sales service tariff, The customer is responsible for stranded Cost of Gas Demand Charge shown above. However, CenterPoint Energy would forego the Cost of Gas Demand Charge as set forth above, provided that CenterPoint Energy can either utilize or reduce its transportation obligations such that there will be no stranded cost for the remaining firm service customers.

**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.

**SMALL VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)**

- 1) Non-SUL/SOL/CRITICAL DAYS – When a customer’s scheduled deliveries to the company differ from daily consumption by more than 5%, the customer will be charged Northern Natural Gas Company’s maximum TI rate per therm for each imbalance therm. The current maximum TI rate is:  
November – March                   \$.06087 per therm  
April – October                       \$.02508 per therm
- 2) SUL Days – On days in which Northern Natural Gas Company declares a System Under run Limitation (SUL), the 5% daily imbalance tolerance will be suspended and a daily charge of \$.10 per therm for each therm of consumption less than the confirmed nomination will be charged. If consumption is greater than the confirmed nomination, there is no charge.
- 3) SOL Days – On days in which Northern Natural Gas Company declares a System Overrun Limitation (SOL), the 5% of daily imbalance tolerance will be suspended and daily charges for each therm of consumption greater than the confirmed nomination will apply as follows:
  - a) For consumption up to 105% of confirmed nomination, \$ .10 per therm
  - b) For consumption greater than 105% of confirmed nomination, \$1.090 per therm. If consumption is less than the confirmed nomination, there is no charge.
- 4) Critical Days – On days in which Northern Natural Gas Company declares a Critical Day, a charge equal to the daily delivery variance charge (DDVC) of the pipeline will apply to those volumes in excess of the confirmed nomination level. Currently this charge is as much as \$11.30 per therm.

Customers transporting into CenterPoint Energy's system on pipelines other than Northern Natural Gas will be subject to daily imbalance tolerances and fees as specified in those pipeline's FERC approved tariffs, in lieu of the tolerances and fees specified above. As Northern revises this rate schedule, the company's rate will be adjusted accordingly after receiving Commission approval.

**Monthly Balancing:**

Volume differences between monthly receipts and deliveries shall be accumulated and recorded in customer's account. CenterPoint Energy shall determine the imbalance quantity for each month on a therm basis. CenterPoint Energy shall then account for the imbalance volumes as follows:

- 1) For negative imbalances on Northern Natural Gas Pipeline - when a customer's monthly consumption exceeds total deliveries to CenterPoint Energy for that customer by more than 2%, the excess usage will be billed to the customer at 120% of the monthly index price plus transportation charges. The monthly index price shall equal the average daily price reported in *Platts Gas Daily* for deliveries into Northern Natural Gas Pipeline at Ventura. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline tariffs for interruptible transportation service. For negative imbalances less than or equal to 2%, the excess usage will be billed at 100% of the monthly index price plus transportation charges.
- 2) For positive imbalances on Northern Natural Gas Pipeline- when a customer's total monthly deliveries exceed customer's monthly consumption by more than 2%, the dollar value of the excess gas deliveries will be credited to the customer's account at 80% of the monthly Index price plus transportation charges. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline tariffs for firm transportation service. For positive imbalances less than or equal to 2%, the excess usage will be credited at 100% of the monthly Index price plus transportation charges.
- 2)3) Customers transporting into CenterPoint Energy's system on Viking Pipeline will be subject to monthly imbalance tolerances and fees as specified in that pipeline's FERC approved tariffs, in lieu of the tolerances and fees specified above. The monthly index price shall equal the average daily price reported for deliveries into Emerson.

## SMALL VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)

### Failure of Transportation Supply:

If a customer or a customer's supplier notifies CenterPoint Energy that it will be unable to deliver volumes to CenterPoint Energy's Town Border Station sufficient to meet daily consumption, CenterPoint Energy will use reasonable efforts to make gas available to the customer. Such gas will be charged to the customer at the highest incremental supply cost for the day plus the commodity cost of interruptible transportation plus applicable Daily Balancing Fees. If CenterPoint Energy is unable to obtain a replacement for the customer's transportation supply, the customer will be given the option to discontinue the use of gas or to incur the penalty associated with the unauthorized use of gas.

### Penalty for Unauthorized gas Use:

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:

- 1) For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$1.00 per Therm.
- 2) For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.

For purposes of this provision, the gas year is the twelve month period beginning November 1 each year.

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.

### 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.

## LARGE VOLUME FIRM TRANSPORTATION SERVICE

**Availability:**

Available to any firm customer whose peak day requirements are greater than or equal to 2000 therms for the delivery of gas owned by the customer from a CenterPoint Energy Town Border Station(s) to a meter location on the customer's premise.

**Rate:**

Monthly Basic Charge \$900.00

	DELIVERY CHARGE	COST OF GAS
Demand charge (of billing demand)	\$0.42539	<del>\$0.5609</del> <u>\$0.56090</u>
Commodity charge (per therm)	<del>\$0.05034</del> <u>0.07257</u>	

**Interim Surcharge:**

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 customer for the difference.~~

**Special Conditions:**

- 1) Customer will provide CenterPoint Energy's Transportation Services Department in writing (or by electronic communication) with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.
- 2) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.
- 3) If customer is an existing customer taking service under the firm sales service tariff, customer is responsible for the stranded Cost of Gas Demand Charge shown above. However, , CenterPoint Energy would forego the gas-related portion of the demand charge per therm as set forth on the tariff, provided that CenterPoint Energy can either utilize or reduce its transportation obligations such that there will be no stranded cost for the remaining firm service customers.

**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.

**Minimum Monthly Bill:**

When no consumption occurs during the billing month, the basic monthly charge applicable as listed above plus the Monthly Demand Charge will apply.

**Billing Demand:**

The demand in therms for billing purposes shall be the customers' highest daily usage during the preceding calendar year.

**Nomination:**

Customer requesting volumes to flow on the first day of any month must directly advise CenterPoint Energy's Transportation Services Department in writing (by facsimile or email), by 9:00 a.m. central standard time, five (5) working days prior to the end of the preceding month, of the initial daily volumes to be delivered on its behalf from the Town Border Station to the customer's premise.

## LARGE VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)

Customers transporting into CenterPoint Energy's system on pipelines other than Northern Natural Gas will be subject to daily imbalance tolerances and fees as specified in those pipeline's FERC approved tariffs, in lieu of the tolerances and fees specified above. As Northern revises this rate schedule, the company's rate will be adjusted accordingly after receiving Commission approval.

### Monthly Balancing:

Volume differences between monthly receipts and deliveries shall be accumulated and recorded in customer's account. CenterPoint Energy shall determine the imbalance quantity for each month on a therm basis. CenterPoint Energy shall then account for the imbalance volumes as follows:

- 1) For negative imbalances on Northern Natural Gas Pipeline - when a customer's monthly consumption exceeds total deliveries to CenterPoint Energy for that customer by more than 2%, the excess usage will be billed to the customer at 120% of the monthly index price plus transportation charges. The monthly index price shall equal the average daily price reported in *Platts Gas Daily* for deliveries into Northern Natural Gas Pipeline at Ventura. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline tariffs for interruptible transportation service. For negative imbalances less than or equal to 2%, the excess usage will be billed at 100% of the monthly index price plus transportation charges.
- 2) For positive imbalances on Northern Natural Gas Pipeline - when a customer's total monthly deliveries exceed customer's monthly consumption by more than 2%, the dollar value of the excess gas deliveries will be credited to the customer's account at 80% of the monthly Index price plus transportation charges. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline tariffs for firm transportation service. For positive imbalances less than or equal to 2%, the excess usage will be credited at 100% of the monthly Index price plus transportation charges.
- 2)3) Customers transporting into CenterPoint Energy's system on Viking Pipeline will be subject to monthly imbalance tolerances and fees as specified in that pipeline's FERC approved tariffs, in lieu of the tolerances and fees specified above. The monthly index price shall equal the average daily price reported for deliveries into Emerson.

### Failure of Transportation Supply:

If a customer or a customer's supplier notifies CenterPoint Energy that it will be unable to deliver volumes to CenterPoint Energy's Town Border Station sufficient to meet daily consumption, CenterPoint Energy will use reasonable efforts to make gas available to the customer.

**LARGE VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)****Failure of Transportation Supply:**

Such gas will be charged to the customer at the highest incremental supply cost for the day plus the commodity cost of interruptible transportation plus applicable Daily Balancing Fees. If CenterPoint Energy is unable to obtain a replacement for the customer's transportation supply, the customer will be given the option to discontinue the use of gas or to incur the penalty associated with the unauthorized use of gas.

**Penalty for Unauthorized gas Use:**

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:

- 1) For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$1.00 per Therm.
- 2) For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.

For purposes of this provision, the gas year is the twelve month period beginning November 1 each year.

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.

**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 rates are 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 and fuel for supplemental gas.

**Gas Affordability Rider:**

All customer bills under this rate are subject to the adjustment bills 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 with the exception of customers taking Market Rate Service, (Section V, Page 11) are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

**Contract:**

Customer must sign a separate contract for Transportation Service to each delivery point. The minimum contract for Firm Transportation Service is one (1) year.

Customer must advise CenterPoint Energy six (6) months in advance, in writing, when it wishes to cancel a contract for Firm Transportation Service.

Customer is obligated to provide a copy of all contracts used to procure and deliver natural gas to CenterPoint Energy's Town Border Station(s). Such contracts must be with suppliers who can demonstrate actual firm gas supplies under contract. Customer is not required to provide price information.



### SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE

**Availability:**

Available to any customer whose peak day requirements are less than 2,000 Therms on an interruptible basis for the delivery of gas owned by the customer from a CenterPoint Energy Town Border Station(s) to a meter location on the customer's premise. Delivery is contingent on adequate distribution system capacity.

Customers that use, for reasons of price, an alternative energy supply (other than biomass energy) may 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
Less than 120,000 Therms	\$150.00	<del>\$0.114090</del> .12455
Equal to or greater than 120,000 Therms	\$180.00	<del>\$0.106970</del> .11453

**Interim Surcharge:**

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 customer for the difference.~~

**Special Conditions:**

- 1) Customer must have arranged for the purchase of gas other than CenterPoint Energy's pipeline supply for its delivery to a CenterPoint Energy Town Border Station(s).
- 2) Customer will provide CenterPoint Energy's Transportation Services Department in writing (by facsimile) with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.
- 3) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.
- 4) Customer must have and maintain adequate standby facilities and have available sufficient fuel supply to maintain operations during periods of curtailment.
- 5) Customer agrees to curtail the use of gas transported hereunder, within one (1) hour when requested by CenterPoint Energy.

**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.



**SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE (CONTINUED)**

- 1) Non-SUL/SOL/CRITICAL DAYS – When a customer's scheduled deliveries to the company differ from daily consumption by more than 5%, the customer will be charged Northern Natural Gas Company's maximum TI rate per therm for each imbalance therm. The current maximum TI rate is:

November – March	\$ .06087 per therm
April – October	\$ .02508 per therm
- 2) SUL Days – On days in which Northern Natural Gas Company declares a System Under run Limitation (SUL), the 5% daily imbalance tolerance will be suspended and a daily charge of \$.10 per therm for each therm of consumption less than the confirmed nomination will be charged. If consumption is greater than the confirmed nomination, there is no charge.
- 3) SOL Days – On days in which Northern Natural Gas Company declares a System Overrun Limitation (SOL), the 5% of daily imbalance tolerance will be suspended and daily charges for each therm of consumption greater than the confirmed nomination will apply as follows:
  - a) For consumption up to 105% of confirmed nomination, \$ .10 per therm
  - b) For consumption greater than 105% of confirmed nomination, \$1.090 per therm. If consumption is less than the confirmed nomination, there is no charge.
- 4) Critical Days – On days in which Northern Natural Gas Company declares a Critical Day, a charge equal to the daily delivery variance charge (DDVC) of the pipeline will apply to those volumes in excess of the confirmed nomination level. Currently this charge is as much as \$11.30 per therm.

Customers transporting into CenterPoint Energy's system on pipelines other than Northern Natural Gas will be subject to daily imbalance tolerances and fees as specified in those pipeline's FERC approved tariffs, in lieu of the tolerances and fees specified above. As Northern revises this rate schedule, the company's rate will be adjusted accordingly after receiving Commission approval.

**Monthly Balancing:**

Volume differences between monthly receipts and deliveries shall be accumulated and recorded in customer's account. CenterPoint Energy shall determine the imbalance quantity for each month on a therm basis. CenterPoint Energy shall then account for the imbalance volumes as follows:

- 1) For negative imbalances on Northern Natural Gas Pipeline- when a customer's monthly consumption exceeds total deliveries to CenterPoint Energy for that customer by more than 2%, the excess usage will be billed to the customer at 120% of the monthly index price plus transportation charges. The monthly index price shall equal the average daily price reported in *Platts Gas Daily* for deliveries into Northern Natural Gas Pipeline at Ventura. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline tariffs for interruptible transportation service. For negative imbalances less than or equal to 2%, the excess usage will be billed at 100% of the monthly index price plus transportation charges.



**SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE (CONTINUED)**

2) For positive imbalances on Northern Natural Gas Pipeline - when a customer's total monthly deliveries exceed customer's monthly consumption by more than 2%, the dollar value of the excess gas deliveries will be credited to the customer's account at 80% of the monthly Index price plus transportation charges. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline tariffs for firm transportation service. For positive imbalances less than or equal to 2%, the excess usage will be credited at 100% of the monthly Index price plus transportation charges.

2)3) Customers transporting into CenterPoint Energy's system on Viking Pipeline will be subject to monthly imbalance tolerances and fees as specified in that pipeline's FERC approved tariffs, in lieu of the tolerances and fees specified above. The monthly index price shall equal the average daily price reported for deliveries into Emerson.

When an imbalance occurs due to curtailment and the customer's gas continues to be delivered by the pipeline, CenterPoint Energy will apply the positive imbalance to the customer's account for re-delivery at a later date. Such volumes will not be subject to Daily Balancing Fees, but will be subject to Monthly Balancing Fees if the imbalance is not eliminated by the end of the month.

**Penalty for Unauthorized Gas Use:**

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:

- 1) For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$1.00 per Therm.
- 2) For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.

For purposes of this provision, the gas year is the twelve month period beginning November 1 each year.

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.

**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.



## LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE

### Availability:

Available to any customer whose peak day requirements exceed 1,999 Therms on an interruptible basis for the delivery of gas owned by the customer from a CenterPoint Energy Town Border Station(s) to a meter location on the customer's premise. Delivery is contingent on adequate distribution system capacity.

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:

MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM
\$900.00	<del>\$0.050340</del> <u>0.07257</u>

### Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. 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-15-424) 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 customer for the difference.~~

### Special Conditions:

- 1) Customer must have arranged for the purchase of gas other than CenterPoint Energy's pipeline supply and for its delivery to a CenterPoint Energy Town Border Station(s).
- 2) Customer will provide CenterPoint Energy's Transportation Services Department in writing (by facsimile) with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.
- 3) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.
- 4) Customer must have and maintain adequate standby facilities and have available sufficient fuel supply to maintain operations during periods of curtailment.
- 5) Customer agrees to curtail the use of gas transported hereunder, within one (1) hour when requested by CenterPoint Energy.

### 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.

**LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE (CONTINUED)****Monthly Balancing:**

Volume differences between monthly receipts and deliveries shall be accumulated and recorded in customer's account. CenterPoint Energy shall determine the imbalance quantity for each month on a therm basis. CenterPoint Energy shall then account for the imbalance volumes as follows:

- 1) For negative imbalances on Northern Natural Gas Pipeline - when a customer's monthly consumption exceeds total deliveries to CenterPoint Energy for that customer by more than 2%, the excess usage will be billed to the customer at 120% of the monthly index price plus transportation charges. The monthly index price shall equal the average daily price reported in *Platts Gas Daily* for deliveries into Northern Natural Gas Pipeline at Ventura. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline tariffs for interruptible transportation service.
- 2) For negative imbalances less than or equal to 2%, the excess usage will be billed at 100% of the monthly index price plus transportation charges.
- ~~2)~~
- 3) For positive imbalances on Northern Natural Gas Pipeline- when a customer's total monthly deliveries exceed customer's monthly consumption by more than 2%, the dollar value of the excess gas deliveries will be credited to the customer's account at 80% of the monthly Index price plus transportation charges. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline tariffs for firm transportation service. For positive imbalances less than or equal to 2%, the excess usage will be credited at 100% of the monthly Index price plus transportation charges.
- ~~3)4)~~ Customers transporting into CenterPoint Energy's system on Viking Pipeline will be subject to monthly imbalance tolerances and fees as specified in that pipeline's FERC approved tariffs, in lieu of the tolerances and fees specified above. The monthly index price shall equal the average daily price reported for deliveries into Emerson.
- ~~4)5)~~ When an imbalance occurs due to curtailment and the customer's gas continues to be delivered by the pipeline, CenterPoint Energy will apply the positive imbalance to the customer's account for re-delivery at a later date. Such volumes will not be subject to Daily Balancing Fees, but will be subject to Monthly Balancing Fees if the imbalance is not eliminated by the end of the month.

**Penalty for Unauthorized Gas Use:**

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:

- 1) For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$1.00 per Therm.
- 2) For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.

For purposes of this provision, the gas year is the twelve month period beginning November 1 each year.

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.

**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.

## GAS AFFORDABILITY SERVICE PROGRAM (“PROGRAM”) (CONTINUED)

3.6) If a Qualified Customer fails to pay two consecutive monthly payments in full under the Program, they will be terminated from the Program and will be subject to CenterPoint Energy’s regular collection practices including the possibility of disconnection.

### 4) Funding:

4.1) Total Program costs, which include start-up costs, Affordability component, Arrearage Forgiveness component and incremental administration costs incurred by CenterPoint Energy shall not exceed \$5 million per year. However, if there is an over-recovered balance in the Tracker at the end of a year, the over-recovered balance may be rolled over to the subsequent year and can be used to supplement benefits in the subsequent year unless the Minnesota Public Utilities Commission orders otherwise. CenterPoint Energy shall limit administrative costs included in the tracker (except start-up related costs) to 5% of total Program costs. Administrative costs will include, but are not limited to, the costs to inform customers of the Program and costs to process and implement enrollments.

4.2) CenterPoint Energy shall recover Program costs in the Delivery Charge applicable to all customers receiving firm service under the following tariffs: Residential Sales Service, Small Volume Commercial & Industrial Sales Service, Small Volume Firm Transportation Service, Large General Firm Sales and Large Volume Firm Transportation, except customers taking service under the Market Rate Service Rider.

4.3) A tracking mechanism (“Tracker”) will be established to provide for recovery of actual Program costs as compared to the recovery of Program costs through rates. CenterPoint Energy will track and defer Program costs with regulatory approval. The prudence of the program costs are subject to regulatory review. The GAP recovery rate is ~~\$0.004790.00462~~ per them, ~~during the time interim rates are in effect in Docket G-008/GR-15-424~~. CenterPoint Energy may petition the Commission to adjust this rate in order to true up the Program balance in the Tracker in its next general rate case.

### 5) Evaluation:

5.1) The Program shall be evaluated before the end of its term. The program may be modified based on annual reports and on a financial evaluation.

5.2) The annual reports will include the effect of the program on customer payment frequency, payment amount, arrearage level and number of customers in arrears, service disconnections, retention rates, customer complaints and utility customer collection activity. The annual reports may also include information about customer satisfaction with the program.

5.3) The financial evaluation will include a discounted cash flow of the Program’s cost-effectiveness analysis from a ratepayer perspective comparing the 1) total Program costs, which includes the Affordability component, Arrearage Forgiveness component and total company incurred administration costs, to 2) the total net savings including cost reductions on utility functions such as the impact of the Program on write-offs, service disconnections and reconnections and collections activities. The discounted cash flow difference between total Program costs and total net savings will result in either a net benefit or a net cost to ratepayers for the program. Any net benefit after the initial four year term of the Program will be added to the Tracker for refund to residential ratepayers.

### 6) Program Revocation:

The Program, upon approval by the Commission, is effective unless the Commission, after notice and hearing, rescinds or amends its order approving the Program.

## **CONSERVATION ENABLING RIDER (CE RIDER)**

### **1.—Purpose:**

~~The purpose of this Conservation Enabling Rider is to reduce CenterPoint Energy's financial disincentive to the promotion of energy efficiency and conservation by severing the link between the recovery of CenterPoint Energy's non-gas distribution costs and the volume of gas sales to its small volume firm customer rate classes. This will be accomplished by comparing the level of non-gas revenues authorized in the last general rate case adjusted for increases in customer counts to the level of weather normalized non-gas revenues collected by rate class to calculate either a class revenue shortfall or revenue surplus. If either a revenue shortfall or a revenue surplus exists in an applicable rate class, then the delivery charge per therm for that rate class will be increased or decreased to collect from or return to the applicable rate class the calculated revenue shortfall or revenue surplus. This rider complies with the legislative intent and the language of Minnesota Statutes, Section 216B.2412 Decoupling of Energy Sales from Revenues.~~

### **2.—Applicability:**

~~This rider shall apply to CenterPoint Energy's small volume firm service customers receiving gas service throughout CenterPoint Energy's service territory under the Residential Sales Service and the Small Volume Commercial and Industrial Sales Service rate schedules.~~

### **3.—Evaluation Report Filing and Review:**

~~No later than March 1 of the calendar year following Minnesota Public Utility Commission (MPUC) approval of the CE Rider, and then no later than March 1 of each year thereafter until such time the CE Rider terminates as specified in Section 4 Expiration of CE Rider, CenterPoint Energy shall file annually with the Minnesota Public Utility Commission an Evaluation Report calculating the CE Rider adjustments, if any, in accordance with the provisions of Section 5 Calculation of CE Rider Adjustment. CenterPoint Energy shall provide workpapers and data supporting the calculations reflected in the Evaluation Report. The Evaluation Report shall reflect the annual Evaluation Period, which for the first Evaluation Period shall begin with the bills rendered on the first day of the month succeeding the implementation of final rates approved in Docket No. G-008/GR-08-1075 until December 31 of that year, and then for the succeeding Evaluation Periods shall be the twelve month period ended December 31 of the year immediately preceding the filing of the associated Evaluation Report. The CE Rider Decoupling Adjustment may not be implemented until CenterPoint Energy's Evaluation Plan has been approved by the MPUC.~~

~~The applicable rate adjustment under the CE Rider shall be effective with bills rendered on or after March 1 of the year in which the Evaluation report is filed and will continue for twelve months. At the end of the twelve month collection period, any remaining amounts to be collected from or refunded to customers will be added to or subtracted from the Annual CE Rider adjustment for the next CE Rider filing. If the CE Rider is terminated before or not extended at the end of the three year pilot period, then the current CE Rider rate adjustment will continue in effect until the full amounts are either collected from or refunded to customers.~~

~~In the event any portions of the proposed rate adjustments are modified by the Minnesota Public Utility Commission, the proposed rate adjustments shall be adjusted in accordance with the Commission's order.~~

~~CenterPoint Energy shall record its best estimate of the amounts to be recognized under the CE Rider so as to reflect in its books and records a fair representation of the impact of this rider in actual earnings. Such estimate shall be adjusted, if necessary, upon filing the CE Rider calculations with the Commission, and again upon final Commission approval.~~

### **4.—Expiration of CE Rider:**

~~The CE Rider will be effective for a pilot period of the thirty-six (36) months from the start of the initial Evaluation Period. However, CenterPoint Energy may request authorization to extend the effective period of the CE Rider.~~

**Reserved for Future Use**

### **5. Calculation of CE Rider Adjustment:**

~~The CE Rider Adjustment will be calculated annually and on a class-by-class basis for each class of customers to which the CE Rider applies and will be applied on a per therm basis. For purposes of calculating the CE Rider Adjustment, the following terms shall be defined as follows:~~

~~———— Authorized Revenue Per Customer — the rate schedule non-gas revenue requirements divided by the number of customers used to determine the final rates for the applicable rate class resulting from CenterPoint Energy's last general rate case.~~

~~Allowed Revenues — Authorized Revenue Per Customer multiplied by the number of customers in the applicable rate class, calculated each month of the twelve month Evaluation Period, and summed.~~

~~Weather Normalized Revenues — the actual non-gas revenues for the twelve-month evaluation period ended December 31 adjusted for non-normal weather, unbilled non-gas revenues, and adjusted to exclude revenues associated with the Conservation Improvement Program Adjustment Rider, the Gas Affordability Service Program, the Franchise Fee Rider, and other non-rate class specific revenues. For purposes of this rider, normal weather shall be defined as the number of monthly heating degree days used to set final rates in the Company's most recent general rate case. Non-gas revenues will be adjusted using the general rate case use-per-customer sales forecast model coefficients for weather — Heating Degree Days (HDD) and 20-year average weather for 1989-2008.~~

~~The CE Rider Adjustment shall equal the Allowed Revenues less the Weather Normalized Revenues, divided by the class forecast volumes for the twelve-month period beginning March 1 of the year the Evaluation Report is filed for the applicable rate classes.~~

~~The CE Rider Adjustment for the applicable rate classes to collect an under-recovery amount of non-gas revenues will be capped at +3% of the total volumetric charge for each of the rate classes, while the CE Rider adjustment for the applicable rate classes to return an over-recovered amount of non-gas revenues shall not be capped. The average of the total actual volumetric rates effective for the most recent twelve months available prior to the filing of the CE Rider Evaluation Report will be used to calculate the total volumetric charge used to apply the cap.~~

## DUAL FUEL GAS SALES SERVICE

This Dual Fuel Sales Service Agreement ("Agreement") is between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy), 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038 and \_\_\_\_\_ (Customer), a \_\_\_\_\_ (Proprietorship, Partnership or Corporation), \_\_\_\_\_ ("Customer") and ~~CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 800 LaSalle Avenue, Floor 14, Minneapolis MN 55402.~~ Customer is a user of natural gas who meets the requirements for dual fuel service as outlined in the applicable ~~d~~Dual f~~Fuel s~~Sales s~~Service~~ tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). CenterPoint Energy and Customer agree as follows:

### Section 1. REQUIREMENTS AND DELIVERIES.

- 1.1. **Delivery of Gas.** CenterPoint Energy will sell and deliver pipeline quality gas at \_\_\_\_\_ (Acct# \_\_\_\_\_) on an interruptible basis. The metered volume will be adjusted to account for variations in pressure and temperature and billed accordingly. Gas-using equipment is listed in Appendix A. Customer will notify CenterPoint Energy of any changes in its use of natural gas.
- 1.2. **Refusal or Disconnection of Service.** CenterPoint Energy will not initiate gas service until all equipment necessary for gas and alternative fuel operation is installed and performs in compliance with applicable laws, ordinances and codes and Customer meets CenterPoint Energy's credit requirements.

CenterPoint Energy may refuse service or disconnect service without notice for the following reasons:

- Tampering with CenterPoint Energy's equipment;
- The existence of a condition hazardous to Customer; CenterPoint Energy's other customers, employees or equipment; or the public;
- Customer's use of equipment which adversely affects CenterPoint Energy's equipment or service to others.

CenterPoint Energy may refuse or disconnect service upon five days written notice for any of the following reasons:

- Customer's failure to pay a bill when due;
- Customer's violation of CenterPoint Energy's Rules and Regulations on file with the Public Utilities Commission or city having jurisdiction;
- Customer's breach of this Agreement;
- Customer's failure to provide CenterPoint Energy reasonable access to CenterPoint Energy's equipment;
- Customer's failure to furnish necessary service, equipment or rights-of-way which CenterPoint Energy has specified as a condition for obtaining service.

Disconnection does not relieve Customer of the responsibility to pay CenterPoint Energy for service previously rendered.

### Section 2. PRICE, BILLING AND PAYMENT PROCEDURES.

- 2.1. **Rate for Gas.** Customer will pay the gas rate in the applicable Dual Fuel Sales Service Tariff approved by the applicable authority. CenterPoint Energy may increase or decrease the rate for changes in the cost of gas pursuant to its Purchased Gas Adjustment Clause.
- 2.2. **Taxes and Fees.** Customer will pay any tax or fee imposed on all or part of any sale of gas or the gross revenues derived from the sale of gas.
- 2.3. **Gas Used After Notice of Curtailment.** For all unauthorized gas used after notice of curtailment, Customer will pay the charge for Unauthorized Gas as specified in the tariff.
- 2.4. **Billing and Payment.** CenterPoint Energy will bill Customer monthly. Payment is due by the due date noted on the bill.
- 2.5. **Late Payment Charge.** Late payment will be charged as specified in the tariff.

### Section 3. CURTAILMENT.

- 3.1. **Curtailment.** Customer will provide CenterPoint Energy (and update as necessary) the names and telephone numbers of persons CenterPoint Energy should notify to curtail in Appendix B. Customer will curtail gas usage upon one hour's notice.

### Section 4. SERVICE LINES AND METERING EQUIPMENT.

- 4.1. **Equipment Furnished by CenterPoint Energy.** CenterPoint Energy will install and maintain necessary gas mains and services, meter, remote reading equipment, and regulator equipment to supply natural gas to the CenterPoint Energy meter on Customer's premises. CenterPoint Energy may charge Customer for costs of installation consistent with CenterPoint Energy's tariff. All equipment furnished by CenterPoint Energy will remain its property, and CenterPoint Energy may remove its equipment upon termination of service to customer.
- 4.2. **Customer's Equipment.** All piping and equipment downstream of the meter, including telephone lines and any necessary electrical power for remote meter reading equipment, will be installed and maintained by Customer and remain Customer's responsibility. Any inspection by CenterPoint Energy of Customer's piping and equipment will not impose any obligation or liability on CenterPoint Energy.



- 4.3. **Location on Customer's Premises.** Customer will, without expense to CenterPoint Energy, provide, and maintain on the premises, at a location satisfactory to CenterPoint Energy, proper space for CenterPoint Energy's piping, meters, regulators and other equipment.
- 4.4. **Access to Equipment.** CenterPoint Energy representatives have the right at all reasonable times to have access to its equipment for any reason related to this Agreement, including the right to read meters, make inspections or repairs or remove CenterPoint Energy's equipment. Customer will obtain consent from its lessor, if any, for CenterPoint Energy to enter the premises for these purposes. Access will be granted at all times for emergency purposes.
- 4.5. **Safekeeping of CenterPoint Energy's Equipment.** Customer will provide for the safekeeping of CenterPoint Energy's meters and other equipment. Customer will reimburse CenterPoint Energy for the cost of any alterations to its property necessitated by Customer, and for any loss or damage to CenterPoint Energy's property due to negligence of Customer, its agents or employees. CenterPoint Energy may suspend or discontinue gas service until any such damage or loss is settled to its satisfaction.

**Section 5. ALTERNATIVE OR DUAL FUEL EQUIPMENT.**

- 5.1. **Alternative or Dual Fuel Capability.** Customer must have an operational alternate or dual fuel system installed. The installation and maintenance of the alternate or dual fuel system must comply with applicable codes, ordinances and laws.
- 5.2. **Alternate Fuel Supply.** Customer will have access to sufficient alternate fuel supplies for all periods of curtailment.

**Section 6. TERM.**

This Agreement is effective when signed by both parties and remains in effect until terminated by CenterPoint Energy pursuant to Section 1 or either party upon 30 days written notice. This Agreement supersedes all prior written or oral agreements.

**Section 7. NOTICES.**

Notices, except as otherwise specified, will be sent to:

CenterPoint Energy, ~~Commercial & Industrial Sales~~~~Energy Sales~~  
505 Nicollet Mall, P.O. Box 59038,  
Minneapolis, Minnesota 55459-0038800 LaSalle Avenue, Floor 14  
Minneapolis, MN 55402 — Phone: 612.321.4330

NAME	ADDRESS
TITLE	CITY, STATE, ZIP
TELEPHONE NUMBER	<b>PLEASE NOTIFY CENTERPOINT ENERGY OF ANY CHANGES IN CONTACTS</b>

**Section 8. ASSIGNMENT.**

This Agreement cannot be assigned without CenterPoint Energy's prior written approval. If Customer does not obtain approval, Customer will remain liable for payment of gas service.

**Section 9. WAIVER OF LIABILITY.**

CenterPoint Energy will not be liable for any loss, injury, or damages, including any special, incidental, or consequential damages, resulting from CenterPoint Energy's disconnection or refusal of service, or any interruption or curtailment of gas service.

**Section 10. APPLICABLE LAW AND REGULATION.**

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms or conditions of the Agreement, the Tariff shall govern. If a change in the Tariff creates a conflict with any section of this Agreement, either party may cancel this Agreement immediately upon delivery of written notice of such cancellation to the other party. Further, the operation and effectiveness of this Agreement shall not continue if such continuance would violate any applicable statute, regulation or other jurisdictional authority.

**Section 11. COMPLETE AGREEMENT.**

This Agreement and the Tariff constitute the parties' complete agreement. With the exception of changes to the Tariff, this Agreement cannot be changed except in a writing signed by both parties.

**CENTERPOINT ENERGY ~~RESOURCES CORP., d/b/a~~**  
**CenterPoint Energy Minnesota Gas**

**CUSTOMER(S)**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_





## DUAL FUEL GAS TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT ("Agreement") is between CenterPoint Energy, Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy), 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038, 800 LaSalle Ave., Floor 14, Minneapolis, Minnesota 55402 ("CenterPoint Energy") and \_\_\_\_\_ ("End User"), and is effective 9:00 a.m. CCT on the 1st day of \_\_\_\_\_, 20\_\_\_\_. End User is a natural gas user who has purchased natural gas from a supplier other than CenterPoint Energy's sales service, and who desires to transport that natural gas through CenterPoint Energy's distribution system. CenterPoint Energy is willing and able to transport End User's natural gas on an interruptible basis, subject to (1) all provisions of this Agreement, and (2) CenterPoint Energy's currently effective and applicable Dual Fuel Transportation Service Tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). Therefore, the parties, desiring to be legally bound, for themselves, their successors and assigns, agree as follows:

### Section 1. Quantity.

CenterPoint Energy agrees to accept and to transport on an interruptible basis daily volumes of gas nominated by End User in accordance with Section 2 of this Agreement in volumes up to \_\_\_\_\_ Therms per day. End User's gas will be accepted at the inlet of CenterPoint Energy's \_\_\_\_\_ town border station ("TBS") and will be transported on an interruptible basis to End User's meter at \_\_\_\_\_, Minnesota, account # \_\_\_\_\_. The volumes metered by CenterPoint Energy will be considered the volumes delivered to CenterPoint Energy.

End User's gas shall be delivered by CenterPoint Energy at a rate of flow not exceeding \_\_\_\_\_ cubic feet per hour at the outlet of End User's meter. The gas shall be delivered at normal operating pressures and temperatures on CenterPoint Energy's distribution system and all volumes delivered will be adjusted for Btu content. The gas transported under this Agreement shall be the first gas registered through End User's meter.

### Section 2. Nominating Procedure.

Each day by 9:00 a.m. CCT, End User will nominate the volume of gas it wants to take for the 24-hour period beginning at 9:00 a.m. CCT the following day. Nominations shall be made directly to CenterPoint Energy's Transportation Services Department and shall include volumes to account for fuel use and unaccounted for volumes on the transporting interstate pipeline system. When End User is out-of-balance on CenterPoint Energy's system as defined in the Tariff, End User will pay the charges outlined in the Tariff. End User is responsible for all transportation and transportation requirements of the interstate pipeline.

### Section 3. Meter Reading and Telemetering.

Telemetry is required. End User will be billed monthly for the cost of the telephone circuit. This charge is in addition to all charges outlined in the Tariff.

### Section 4. Term.

This Agreement will continue in effect for 1 year from its effective date. Upon expiration of the initial term, this Agreement shall continue for successive thirty (30) day periods until terminated in accordance with Section 7 of this Agreement.

### Section 5. Price.

The rate charged End User for transported gas will be governed by the applicable Tariff, a copy of which is attached to this Agreement.

### Section 6. Payment.

Payment is due five (5) days prior to the next scheduled billing date. A late charge, as outlined in the Tariff, will be applied to bills not paid by the end of the due date.

### Section 7. Termination and Assignment.

7.1. End User or CenterPoint Energy may terminate this Agreement by giving written notice to the other thirty (30) days prior to the expiration of the current term.

7.2. This Agreement shall immediately terminate on any date on which any applicable statute, regulation or other jurisdictional authority renders it illegal, null or void.

7.3. Additionally, this Agreement will be subject to termination immediately upon notice to End User of its failure to meet its responsibilities under this Agreement.

7.4. This Agreement may not be assigned without the written consent of the other party.

### Section 8. Notices.

CenterPoint Energy, Commercial & Industrial Sales, 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038, Energy Sales Department: 800 LaSalle Ave., Floor 14, Minneapolis, MN 55402, 612-321-4330

End User: \_\_\_\_\_

### Section 9. Alternative Fuel Capability and Interruption.

End User must have on-site alternate fuel capability and sufficient fuel to burn for periods of interruption, or be receiving service under the Process Interruptible Service Rider. CenterPoint Energy can interrupt End User if capacity constraints require or for other appropriate reasons. End User will cease using gas on one hour's notice when CenterPoint Energy requests or pay the penalty for Unauthorized Use of Gas contained in the Tariff.

### Section 10. Waiver of Liability.

End User will hold CenterPoint Energy harmless from all claims for damages, including special, incidental, or consequential damages, resulting from any termination of gas service caused by End User's failure to deliver gas to CenterPoint Energy's TBS or for CenterPoint Energy's interruption or curtailment of gas service.

### Section 11. Supplying Copies of Contracts.

Prior to any transportation by CenterPoint Energy under this Agreement, End User will provide CenterPoint Energy with copies of all contracts used to procure and deliver natural gas to CenterPoint Energy's TBS. However, End User need not provide price information contained in such contracts.

### Section 12. Applicable Law and Regulation.

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms or conditions of the Agreement, the Tariff shall govern. If a change in the Tariff creates a conflict with any section of this Agreement, either party may cancel this Agreement immediately upon delivery of written notice of such cancellation to the other party. Further, the operation and effectiveness of this Agreement shall not continue if such continuance would violate any applicable statute, regulation or other jurisdictional authority.

### Section 13. Complete Agreement.

This Agreement and the Tariff constitute the parties' complete agreement. With the exception of changes to the Tariff, this Agreement cannot be changed except in a writing signed by both parties.

### END USER

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

### CENTERPOINT ENERGY RESOURCES CORP., d/b/a CenterPoint Energy Minnesota Gas

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_



## FIRM GAS TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT ("Agreement") is between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038 (CenterPoint Energy) 800 LaSalle Ave, Floor 14, Minneapolis, Minnesota 55402 ("CenterPoint Energy") and ("End User"), and is effective 9:00 a.m. CCT on the 1st day of \_\_\_\_\_, 20\_\_\_\_. End User is a natural gas user who has purchased natural gas from a supplier other than CenterPoint Energy's sales service, and who desires to transport that natural gas through CenterPoint Energy's distribution system. CenterPoint Energy is willing and able to transport End User's natural gas on a firm basis, subject to (1) all provisions of this Agreement, and (2) CenterPoint Energy's currently effective and applicable Firm Transportation Service Tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). Therefore, the parties, desiring to be legally bound, for themselves, their successors and assigns, agree as follows:

### Section 1. Quantity.

CenterPoint Energy agrees to accept and to transport on a firm basis daily volumes of gas nominated by End User in accordance with Section 2 of this Agreement in volumes up to \_\_\_\_\_ Therms per day. End User's gas will be accepted at the inlet of CenterPoint Energy's \_\_\_\_\_ town border station ("TBS") and will be transported on a firm basis to End User's meter at \_\_\_\_\_, Minnesota account #\_\_\_\_\_. The volumes metered by CenterPoint Energy will be considered the volumes delivered to CenterPoint Energy.

End User's gas shall be delivered by CenterPoint Energy at a rate of flow not exceeding \_\_\_\_\_ cubic feet per hour at the outlet of End User's meter. The gas shall be delivered at normal operating pressures and temperatures on CenterPoint Energy's distribution system and all volumes delivered will be adjusted for Btu content. Gas transported under this Agreement shall be the first gas registered through End User's meter.

### Section 2. Nominating Procedure.

Each day by 9:00 a.m. CCT, End User will nominate the volume of gas it wants to take for the 24-hour period beginning at 9:00 a.m. CCT the following day. Nominations shall be made directly to CenterPoint Energy's Transportation Services Department and shall include volumes to account for fuel use and unaccounted for volumes on the transporting interstate pipeline system. When End User is out-of-balance on CenterPoint Energy's system, as defined in the Tariff, End User will pay the charges outlined in the Tariff.

End User is responsible for all transportation and transportation requirements of the interstate pipeline.

### Section 3. Meter Reading and Telemetry.

Telemetry is required. End User may be billed monthly for the cost of the telephone circuit. This charge is in addition to all charges outlined in the applicable Tariff.

### Section 4. Term.

This Agreement will continue in effect for 1 year from its effective date. Upon expiration of the initial term, this Agreement shall continue for successive thirty (30) day periods until terminated in accordance with Section 7 of this Agreement.

### Section 5. Price.

The rate charged End User for transportation services will be governed by the Tariff, a copy of the current Tariff is attached to this Agreement.

### Section 6. Payment.

Payment is due five (5) days prior to the next scheduled billing date. A late charge, as outlined in the Tariff, will be applied to bills not paid by the end of the due date.

### Section 7. Termination and Assignment.

7.1. End User or CenterPoint Energy may terminate this Agreement by giving written notice to the other ~~thirty (30) six (6) months days~~ prior to the expiration of the current term.

7.2. This Agreement shall immediately terminate on any date on which any applicable statute, regulation or other jurisdictional authority renders it illegal, null or void.

7.3. Additionally, this Agreement will be subject to termination immediately upon notice to End User of its failure to meet its responsibilities under this Agreement.

7.4. This Agreement may not be assigned without the written consent of the other party.

### Section 8. Notices.

CenterPoint Energy, Commercial & Industrial Sales, 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038 Energy Sales Department: 800 LaSalle Ave., Floor 14, Minneapolis, MN 55402, 612-321-4330

End User: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### Section 9. Failure of Gas Supply.

If the End User fails to supply gas to CenterPoint Energy's TBS, End User will bound by the provisions detailed in the Tariff.

### Section 10. Waiver of Liability.

End User will hold CenterPoint Energy harmless from all claims for damages resulting from any termination of gas service caused by End User's failure to deliver gas to CenterPoint Energy's TBS.

### Section 11. Supplying Copies of Contracts.

Prior to any transportation by CenterPoint Energy under this Agreement, End User will provide CenterPoint Energy with copies of all contracts used to procure and deliver natural gas to CenterPoint Energy's TBS. However, End User need not provide price information contained in such contracts.

### Section 12. Applicable Law and Regulation.

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms or conditions of the Agreement, the Tariff shall govern. If a change in the Tariff creates a conflict with any section of this Agreement, either party may cancel this Agreement immediately upon delivery of written notice of such cancellation to the other party. Further, the operation and effectiveness of this Agreement shall not continue if such continuance would violate any applicable statute, regulation or other jurisdictional authority.

### Section 13. Complete Agreement.

This Agreement and the Tariff constitute the parties' complete agreement. With the exception of changes to the Tariff, this Agreement cannot be changed except in a writing signed by both parties.

**CENTERPOINT ENERGY RESOURCES CORP., d/b/a CenterPoint Energy Minnesota Gas**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

### END USER

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_



**MARKET RATE SERVICE AGREEMENT**

This Market Rate Service Agreement ("Agreement") is effective as of the \_\_\_\_\_ day of \_\_\_\_\_, ~~20\_\_\_\_\_~~, between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (~~CenterPoint Energy~~), ~~505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038800 LaSalle Avenue, Floor 14, Minneapolis, MN 55402~~ and \_\_\_\_\_ ("Customer"), for service at \_\_\_\_\_, account # \_\_\_\_\_.

This agreement is subject to CenterPoint Energy's currently effective and applicable Market Rate Service Tariff or Rider on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff").

Customer is a consumer of natural gas, with the capability of obtaining energy supplies from other suppliers not regulated by the Minnesota Public Utilities commission and is subjecting CenterPoint Energy to effective competition as defined in Minnesota Stat. §216B.163. Accordingly, CenterPoint Energy agrees to provide service on a market rate basis.

CenterPoint Energy and Customer agree as follows:

1. The minimum term of the Agreement is one year from the effective date of Agreement. Upon expiration of the initial term, this Agreement shall continue in effect for subsequent 30 day periods until terminated by either party providing 30 days written notice to the other party.
2. During the term of the Agreement, Customer shall only receive service from CenterPoint Energy under the applicable Market Rate tariffs for natural gas sales or transportation service.
3. Natural gas or natural gas transportation shall be priced during the term of this Agreement in accordance with the terms of the applicable Market Rate tariff. Pricing during the initial term of the Agreement shall be as follows: \_\_\_\_\_
4. This Agreement shall be construed in accordance with the laws of the State of Minnesota. Further, the operation and effectiveness of this Agreement shall not continue if such continuance would violate any applicable statute, regulation or other jurisdictional authority.

IN WITNESS WHEREOF, this Agreement was signed by duly authorized representatives of CenterPoint Energy and Customer.

CENTERPOINT ENERGY RESOURCES  
CORP., d/b/a CenterPoint Energy Minnesota  
Gas

CUSTOMER

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

**SMALL VOLUME FIRM/INTERRUPTIBLE GAS SALES SERVICE AGREEMENT**~~Small Volume Firm/Interruptible Sales Service Agreement~~

This Small Volume Firm/Interruptible Sales Service Agreement ("Agreement") is between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy), and \_\_\_\_\_, a \_\_\_\_\_ ("Customer") ~~and CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 800 LaSalle Avenue, Floor 14, Minneapolis MN 55402 ("CenterPoint Energy")~~. Customer is a user of natural gas who meets the requirements for firm/interruptible service as outlined in the applicable Small Volume Firm/Interruptible Sales Service tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). CenterPoint Energy and Customer agree as follows:

**Section 1. REQUIREMENTS AND DELIVERIES.**

- 1.1. **Delivery of Gas.** CenterPoint Energy will sell and deliver pipeline quality gas at \_\_\_\_\_ (Acct# \_\_\_\_\_) on a firm/interruptible basis. The metered volume will be adjusted to account for variations in pressure and temperature and billed accordingly. Gas-using equipment is listed in Appendix A. Customer will notify CenterPoint Energy of any changes in its use of natural gas.
- 1.2. Customer must elect a base level of daily firm service volume of no less than 25 therms per day, on or before September 1 of each year. Such base level of daily firm service will be effective the following November 1 and will remain in effect for one (1) year. Prior to September 1 of subsequent years, Customer will have the right to elect a different base level of daily firm service (but not less than 25 therms per day), to be effective the following November 1. If Customer does not elect to modify its then-current base level of daily firm service prior to September 1 of subsequent years, the current level shall continue for another one (1) year period. Customer must provide such election pursuant to the Notice requirement in Section 7 herein and must include at a minimum: customer name, account number and the base level of daily firm service volume in therms.
- 1.3. The initial base level of daily firm service volume is \_\_\_\_\_ therms.
- 1.4. The first volumes through the meter, on a daily basis, are billed as firm volumes until the base level of daily firm service volume is reached. All volumes used after the base level is reached are billed as interruptible volumes.
- 1.5. **Refusal or Disconnection of Service.** CenterPoint Energy will not initiate gas service until all equipment necessary for gas and alternative fuel operation for the interruptible service is installed and performs in compliance with applicable laws, ordinances and codes and Customer meets CenterPoint Energy's credit requirements.

CenterPoint Energy may refuse service or disconnect service without notice for the following reasons:

- Tampering with CenterPoint Energy's equipment;
- The existence of a condition hazardous to Customer; CenterPoint Energy's other customers, employees or equipment; or the public;
- Customer's use of equipment which adversely affects CenterPoint Energy's equipment or service to others.

CenterPoint Energy may refuse or disconnect service upon five days written notice for any of the following reasons:

- Customer's failure to pay a bill when due;
- Customer's violation of CenterPoint Energy's Rules and Regulations on file with the Public Utilities Commission or city having jurisdiction;
- Customer's breach of this Agreement;
- Customer's failure to provide CenterPoint Energy reasonable access to CenterPoint Energy's equipment;
- Customer's failure to furnish necessary service, equipment or rights-of-way which CenterPoint Energy has specified as a condition for obtaining service.

Disconnection does not relieve Customer of the responsibility to pay CenterPoint Energy for service previously rendered.

**Section 2. PRICE, BILLING AND PAYMENT PROCEDURES.**

- 2.1. **Rate for Gas.** Customer will pay the gas rate in the applicable Small Volume Firm/Interruptible Sales Service Tariff approved by the applicable authority. CenterPoint Energy may increase or decrease the rate for changes in the cost of gas pursuant to its Purchased Gas Adjustment Clause.
- 2.2. **Taxes and Fees.** Customer will pay any tax or fee imposed on all or part of any sale of gas or the gross revenues derived from the sale of gas.
- 2.3. **Gas Used After Notice of Curtailment.** For all unauthorized gas used after notice of curtailment, Customer will pay the charge for Unauthorized Gas as specified in the Tariff. CenterPoint Energy will provide a 30-day notice of any increase in the charge for unauthorized use of gas.
- 2.4. **Billing and Payment.** CenterPoint Energy will bill Customer monthly. Payment is due by the due date noted on the bill.
- 2.5. **Late Payment Charge.** Late payment will be charged as specified in the Tariff.

**Section 3. CURTAILMENT.**

**Curtailment.** Customer will provide CenterPoint Energy (and update as necessary) the names and telephone numbers of persons CenterPoint Energy should notify to curtail in Appendix B. Customer will curtail gas usage in excess of Customer's base level of daily firm service upon one hour's notice.



**Section 4. SERVICE LINES AND METERING EQUIPMENT.**

- 4.1. **Equipment Furnished by CenterPoint Energy.** CenterPoint Energy will install and maintain necessary gas mains and services, meter, remote meter reading equipment, and regulator equipment to supply natural gas to the CenterPoint Energy meter on Customer's premises. CenterPoint Energy may charge Customer for costs of installation consistent with CenterPoint Energy's Tariff. All equipment furnished by CenterPoint Energy will remain its property and CenterPoint Energy may remove its equipment upon termination of service to Customer.
- 4.2. **Customer's Equipment.** All piping and equipment downstream of the meter, including telephone lines and any necessary electrical power for remote meter reading equipment, will be installed and maintained by Customer and remain Customer's responsibility. Any inspection by CenterPoint Energy of Customer's piping and equipment will not impose any obligation or liability on CenterPoint Energy.
- 4.3. **Location on Customer's Premises.** Customer will, without expense to CenterPoint Energy, provide and maintain on the premises, at a location satisfactory to CenterPoint Energy, proper space for CenterPoint Energy's piping, meters, regulators and other equipment.
- 4.4. **Access to Equipment.** CenterPoint Energy representatives have the right at all reasonable times to have access to its equipment for any reason related to this Agreement, including the right to read meters, make inspections or repairs or remove CenterPoint Energy's equipment. Customer will obtain consent from its lessor, if any, for CenterPoint Energy to enter the premises for these purposes. Access will be granted at all times for emergency purposes.
- 4.5. **Safekeeping of CenterPoint Energy's Equipment.** Customer will provide for the safekeeping of CenterPoint Energy's meters and other equipment. Customer will reimburse CenterPoint Energy for the cost of any alterations to its property necessitated by Customer, and for any loss or damage to CenterPoint Energy's property due to negligence of Customer, its agents or employees. CenterPoint Energy may suspend or discontinue gas service until any such damage or loss is settled to its satisfaction.

**Section 5. ALTERNATIVE OR DUAL FUEL EQUIPMENT.**

- 5.1. **Alternative or Dual Fuel Capability.** Customer must have an operational alternate or dual fuel system installed sufficient to serve Customer's requirements in excess of its base level of daily firm service. The installation and maintenance of the alternate or dual fuel system must comply with applicable codes, ordinances and laws.
- 5.2. **Alternate Fuel Supply.** Customer will have access to sufficient alternate fuel supplies for all periods of curtailment.

**Section 6. TERM.**

This Agreement is effective on November 1, subsequent to the date of signing, pursuant to Section 1.2. Thereafter, the Agreement is effective for a minimum term of one (1) year and shall remain in effect until terminated by CenterPoint Energy pursuant to Section 1 or upon either party providing written notice of cancellation by September 1 of the following year. If this Agreement is not terminated as set forth herein, the terms and conditions of this Agreement shall automatically renew and continue in force for consecutive terms of one (1) year each, until terminated by either party upon not less than sixty (60) days prior written notice to the other party. This Agreement supersedes all prior written or oral agreements.

**Section 7. NOTICES.**

Notices, except as otherwise specified, will be sent to:

CenterPoint Energy, Manager ~~Commercial & Industrial Sales~~~~Energy Sales~~  
~~505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038~~~~800 LaSalle Avenue, Floor 14~~  
~~Minneapolis, MN 55402~~ Phone: 612.321.4330

NAME	ADDRESS
TITLE	CITY, STATE, ZIP
TELEPHONE NUMBER	<b>(PLEASE NOTIFY CENTERPOINT ENERGY OF ANY CHANGES IN CONTACTS)</b>





**PROCESS INTERRUPTIBLE GAS SALES SERVICE AGREEMENT**

This Agreement ("Agreement") is between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038800 LaSalle Avenue, Floor 14, Minneapolis, Minnesota 55402 and \_\_\_\_\_ ("Customer") for natural gas service to Customer's facility located at

\_\_\_\_\_ **Acct #** \_\_\_\_\_.

Customer has the ability to and agrees to discontinue the use of natural gas when requested by CenterPoint Energy and qualifies for service under CenterPoint Energy's Dual Fuel Sales Service with the exception that Customer does not maintain an alternate fuel capability. This Agreement allows Customer to receive the Dual Fuel Sales Service rate for natural gas usage at the above facility subject to the following conditions:

- a) Customer agrees to discontinue the use of natural gas within one (1) hour notice by CenterPoint Energy's Gas Control Department.
- b) Customer agrees to supply CenterPoint Energy with the names and phone numbers of three (3) current contact people authorized to receive notice of curtailment, such that at least one of the contacts must be within reach of CenterPoint Energy's Gas Control Department at all times.
- c) Customer agrees to pay for telemetry equipment to be installed by CenterPoint Energy on the gas metering equipment serving the customer facility.
- d) Customer agrees to hold CenterPoint Energy harmless from all claims or damages resulting from the loss of natural gas service resulting from curtailment or CenterPoint Energy's inability to deliver natural gas to customer's facility.
- e) Customer must retain service under the Process Interruptible Sales Service Rider for a minimum of one (1) year.

Customer is subject to all provisions of the Dual Fuel Sales Service Tariff except as otherwise noted herein.

This Agreement will take effect on \_\_\_\_\_ and will continue in effect for one (1) year; thereafter, it will continue for successive thirty (30) day periods until terminated by thirty (30) days written notice by either party. This Agreement will immediately terminate on any date on which any applicable statute, regulation or other jurisdictional authority renders it illegal, null or void. Additionally, this Agreement will be subject to termination immediately upon notice to Customer of its failure to meet its responsibilities as defined above or in the Dual Fuel Sales Service Tariff.

This Agreement and the Process Interruptible Sales Service Rider constitute the parties complete agreement. With the exception of changes to the Tariff, this Agreement cannot be changed except in a writing signed by both parties.

This Agreement may not be assigned without the written consent of the other party.

**CENTERPOINT ENERGY RESOURCES CORP.,**  
**CUSTOMER**

d/b/a CenterPoint Energy Minnesota Gas

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

**CUSTOMER****CENTERPOINT ENERGY**  
**RESOURCES CORP.**

**d/b/a CenterPoint Energy Minnesota Gas**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

**CENTERPOINT ENERGY****DAILY BALANCING SERVICE AGREEMENT**

This Agreement ("Agreement") is between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (~~CenterPoint Energy~~), 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038 (~~"CenterPoint Energy"~~) and \_\_\_\_\_ ("Customer").

**Section 1. Availability.**

Service under this Agreement is available to any customer, or to any agent representing a customer or a group of customers, taking service under CenterPoint Energy's Firm or Dual Fuel Transportation tariffs. A copy of CenterPoint Energy's current applicable Transportation Tariff and Daily Balancing Service Rider is attached.

**Section 2. General Terms and Conditions.**

The obligations of CenterPoint Energy and the Customer under this Agreement are subject to all general terms and conditions of service of CenterPoint Energy's Rate Book. Except as specifically provided herein, all terms and conditions of the applicable Transportation Tariff and related agreements remain in effect. The terms and conditions of the Daily Balancing Service Rider are incorporated by reference into this Agreement.

**Section 3. Term.**

This Agreement shall be in effect for an initial term of one (1) month commencing on \_\_\_\_\_, 20\_\_, and shall remain in effect from month to month thereafter until terminated by either party with thirty (30) days written notice. Changes in the amount of contracted Daily Balancing Quantity must be made at least 5 working days prior to the end of the preceding month.

**Section 4. Quantity.**

Customer elects the following amount of Daily Balancing Quantity: \_\_\_\_\_ Therms.

**Section 5. Multiple Accounts.**

If a customer or an agent has multiple accounts, they will provide CenterPoint Energy with the names, CenterPoint Energy accounts numbers and the assignment of the portion of the Daily Balancing Quantity elected in Section 4 for each account. Under no circumstances will the total of individual accounts exceed the total quantity elected in Section 4; nor shall such amount assigned to an individual account exceed 20% of the customer's peak day volume.

**Section 6. Charges.**

The rate for the Daily Balancing Service will be governed by the applicable Rider, copy attached.

**Section 7. Suspension of Service.**

On gas days when the Company in its sole discretion determines it is experiencing a System Overrun Limitation (SOL), the Company may notify the customer that the Daily Balancing Service is suspended. When service is suspended, the customer shall be required to operate within the nomination tolerances of the applicable transportation rate schedule and will be assessed applicable penalties upon noncompliance with the terms of the transportation rate schedule. CenterPoint Energy will notify customers of the suspension of this service as soon as possible, however, the latest CenterPoint Energy will notify customers of the suspension of this service is by 3:00 p.m. CST of the gas day for which the suspension has been called.

**MINIMUM VOLUME AGREEMENT**

This Minimum Volume Agreement ("Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, between CenterPoint Energy, a Minnesota corporation ("CenterPoint Energy") 505 Nicollet Mall, Minneapolis, Minnesota 55459-0038, and \_\_\_\_\_, (the "Customer") (collectively, the "Parties"). The Customer owns the property located at \_\_\_\_\_ (the "Project") and desires to have natural gas service installed. CenterPoint Energy is a natural gas public utility and desires to serve the Project. Therefore, the Parties agree as follows:

**Section 1. SERVICE.**

CenterPoint Energy agrees to serve natural gas to the Project at a flow rate of \_\_\_\_\_ MCFH and a delivery pressure of \_\_\_\_\_ PSIG. The Customer represents and warrants to CenterPoint Energy that it is the owner, or authorized agent of the same, of all property within the Project.

**Section 2, OWNERSHIP AND EASEMENTS.**

All natural gas mains and/or services installed by CenterPoint Energy shall be and remain the property of CenterPoint Energy, and neither Customer nor its contractors shall acquire any right, title or interest in any gas main and/or services installed under this Agreement. The Customer hereby grants to CenterPoint Energy all easements necessary or desirable on Customer's Property for the installation and operation of all natural gas mains and other facilities as needed by CenterPoint Energy.

**Section 3. AUTHORITY AND CONFIDENTIALITY.**

Each Party warrants that it has full right, power and authority, and has received all required approvals to enter into this Agreement and to perform fully its obligation hereunder. Each Party Agrees that the terms of this Agreement are confidential and may not be disclosed without the other Party's prior written consent. Notwithstanding the foregoing, CenterPoint Energy may disclose confidential information if required to do so by a government regulatory agency.

**Section 4. ASSIGNMENT OF AGREEMENT.**

This Agreement cannot be assigned without CenterPoint Energy's prior written approval. If Customer does not obtain approval, Customer will remain liable for payment of gas service. The Customer may not assign this Agreement without CenterPoint Energy's prior written consent. This Agreement, any applicable Service Agreement(s) and the Tariff constitute the parties' complete agreement. With the exception of changes to the Tariff, this Agreement cannot be changed except in a writing signed by both parties.

**Section 5. MINIMUM VOLUME COMMITMENT.**

CenterPoint Energy agrees to serve the Project, as described in Paragraph 1 above, based upon the anticipated revenue from serving the Project. To justify service to the Project the Customer agrees to purchase an Annual Minimum Volume (AMV) of \_\_\_\_\_ Therms per year for the term of the Agreement. Beginning on the nearest billing cycle to \_\_\_\_\_ and for each subsequent 12 month period ("AMV Year"), in the event of an annual shortfall, the Customer shall be billed the difference between the AMV and the actual delivered volume at a rate consistent with the then current price for the \_\_\_\_\_ rate class, rate code \_\_\_\_\_, on the last month of the applicable AMV Year. The AMV shall be reduced by the quantity of Therms associated with all of Customer's qualifying Conservation Improvement Program ("CIP") projects on a pro-rata basis for the first AMV Year and in full for all subsequent AMV Years. Rate information is available in the Rate Schedules of CenterPoint Energy's Gas Rate Book, which can be accessed on CenterPoint Energy's website, [www.centerpointenergy.com](http://www.centerpointenergy.com) and are on file with the state regulatory commission.

**Section 6. ADDITIONAL TERMS.**

Additional terms, if any, are included in Attachment B, which is incorporated herein by reference.

**Section 7. NOTICES.**

Notices, except as otherwise specified, will be sent to:  
CenterPoint Energy, Energy Sales  
505 Nicollet Mall  
Minneapolis, MN 55459-0038 Phone: 612.321.4330

Customer \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Section 6. TERM.**

This Agreement is effective when signed by both parties and remains in effect until \_\_\_\_\_ or until terminated by CenterPoint Energy upon 30 days written notice. This Agreement supersedes all prior written or oral agreements.

**CENTERPOINT ENERGY**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

**CUSTOMER(S)**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_



## NEW MARKET DEVELOPMENT AGREEMENT

This New Market Development Agreement (“Agreement”) is entered into between \_\_\_\_\_, a \_\_\_\_\_ (Proprietorship, Partnership or Corporation) hereinafter called “Developer”, and CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 505 Nicollet Mall, Minneapolis MN 55402, hereinafter called “Company”. Based on mutual consideration, which is hereby acknowledged, the Developer and the Company agree as follows:

### Section 1. OBLIGATIONS

- 1.1. Company is a natural gas distribution utility that will serve the hereinafter described Project.
- 1.2. Developer is developing said Project and agrees that Company has the exclusive right to be the sole natural gas provider and install natural gas mains and service lines to all residential single family unit(s) (condo, apartment, townhome or home), and commercial and industrial structures of any kind in said Project hereinafter called “Customer”; and Developer will contractually require all builders within the Project to adhere to the terms set forth herein; and, if Developer sells any or all of the land within the Project, it agrees to include the terms of this Agreement in the purchase contract(s) to ensure the new owner(s) abide by these terms.
- 1.3. Developer recognizes that the requested gas mains and service lines will necessitate a capital investment on the part of the Developer by way of contribution in aid of construction or on the part of the Company or both.
- 1.4. Company and Developer agree to the terms of this agreement, as specified in Exhibit A for the requested natural gas main and service line extension(s) and; Developer understands that the terms of Exhibit A are contingent upon the number and type of natural gas customer(s) and respective natural gas equipment/load requirements the Developer has represented to Company will exist in the Project as described in Exhibit A and Exhibit B. Any change in the number of Customer(s) or type of Customer may constitute a revised Exhibit A of this Agreement between the Company and the Developer.
- 1.5. Company reserves the right to verify that Developer has complied with all the requirements of this Agreement. Such verification will include, but is not limited to, Developer or builder provided documentation or site check by Company to confirm installation of primary natural gas space heating system for each Customer in the Project. The Developer acknowledges that any type of heat pump is not considered to be a “primary natural gas heating system” and therefore is not allowed.
- 1.6. If either party breaches this Agreement and the breach is not cured within thirty (30) days after receiving written notice from the other party within such longer period as is reasonably necessary to cure the breach, in no event to exceed an additional ninety (90) days, then breaching party will be liable for the other party’s reasonable attorneys’ fees and for damages directly caused by such breach.

**Section 2. APPLICABLE LAW AND REGULATION**

- 2.1. The obligations of Company and Developer under this Agreement are subject to laws of the State of Minnesota, and;
- 2.2. The Company's currently effective and applicable Tariffs and Riders on file with the Minnesota Public Utilities Commission ("Tariff") except as specifically provided herein.

**Section 3. AUTHORITY**

The persons signing this Agreement have the real and apparent authority to bind the respective parties. Developer represents and warrants that it has sole authority for selecting the natural gas supplier for the Project(s).

**Section 4. TERM**

This Agreement is effective when signed by both parties and remains in effect for \_\_\_\_\_ (\_\_\_\_) years or until the construction of all customer structures in this project are complete.

**Section 5. COMPLETE AGREEMENT**

This Agreement and the Exhibits, attached and made a part of this Agreement, constitute the parties' complete agreement. With the exception of changes to the Company's Tariffs, this Agreement cannot be changed except in a writing signed by both parties.

**CENTERPOINT ENERGY RESOURCES CORP.,**  
**d/b/a CenterPoint Energy Minnesota Gas**

**DEVELOPER**

\_\_\_\_\_  
(COMPANY)

\_\_\_\_\_  
(NAME)

\_\_\_\_\_  
(NAME)

505 Nicollet Mall  
\_\_\_\_\_  
(ADDRESS)

\_\_\_\_\_  
(ADDRESS)

Minneapolis, MN 55402  
\_\_\_\_\_  
(CITY, STATE, ZIP CODE)

\_\_\_\_\_  
(CITY, STATE, ZIP CODE)

\_\_\_\_\_  
(SIGNATURE)

\_\_\_\_\_  
(SIGNATURE)

\_\_\_\_\_  
(TITLE)

\_\_\_\_\_  
(TITLE)

\_\_\_\_\_  
(DATE)

\_\_\_\_\_  
(DATE)

Exhibit A

Agreement Specifications;

Both parties agree that the terms of this Exhibit are confidential and may not be disclosed without the other Party's prior written consent.

Developer warrants the following customer types, numbers, and primary natural gas space heating equipment/load specifications for this project.

Customer Type	Customer Count	Equipment/Load Requirements

CenterPoint Energy, in consideration of being granted exclusive rights to deliver natural gas to each customer described above will design and install natural gas main and/or services, and;

Will (insert any additional conditions here),

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## EXHIBIT B

Plat Map identifying Project scope and Customer type

## **EXHIBIT E**

Additional Information

Supporting Schedules

- A. Base cost of Gas Recovery Factors by class  
*Summarizes changes from current Interim Base Gas Costs*
- B. Calculation of Demand Cost Recovery Factor  
*Reflects changes approved in the Commission Order*
- C. Calculation of Commodity Costs  
*Reflects changes approved in the Commission Order*
- D. Large General Service (LGS) – Gas Cost Recovery Rates

**CenterPoint Energy**  
**Docket Nos. G-008/GR-15-424 and G-008/MR-16-\_\_\_**  
**Base Cost of Gas Filing - 9-8-2016**  
**Exhibit E, Schedule A**  
**Page 1 of 1**

Effective December 1, 2016

<b>COST OF GAS RECOVERY RATE-PER THERM</b>						
Line No.	Description (a)	Commodity (b)	Demand (c)	Subtotal (b + c) (d)	GCR Factor (e)	Total Rate (d + e) (f)
1	<b>FIRM:</b>					
2						
3	<u>Residential</u>					
4	Interim Base Rate	0.34897	0.07646	0.42543	0.00000	0.42543
5	Adjustment	(0.05780)	(0.00123)	(0.05903)	0.00000	(0.05903)
6	Base Recovery Rate	0.29117	0.07523	0.36640	0.00000	0.36640
7						
8						
9	<u>Commercial/Industrial A and B</u>					
10	Interim Base Rate	0.35019	0.07646	0.42665	0.00000	0.42665
11	Adjustment	(0.05842)	(0.00123)	(0.05965)	0.00000	(0.05965)
12	Base Recovery Rate	0.29177	0.07523	0.36700	0.00000	0.36700
13						
14						
15	<u>Commercial/Industrial C</u>					
16	Interim Base Rate	0.34688	0.07646	0.42334	0.00000	0.42334
17	Adjustment	(0.05648)	(0.00123)	(0.05771)	0.00000	(0.05771)
18	Base Recovery Rate	0.29040	0.07523	0.36563	0.00000	0.36563
19						
20						
21	<u>Large General Service</u>		1/			
22	Interim Base Rate	0.34184	0.56095	0.34184	0.00000	0.34184
23	Adjustment	(0.05248)	(0.00005)	(0.05248)	0.00000	(0.05248)
24	Base Recovery Rate	0.28936	0.56090	0.28936	0.00000	0.28936
25	1/ Demand cost is based on Peak Day. Total Rate reflects only Commodity costs					
26						
27						
28						
29	<u>Large Volume Dual Fuel</u>					
30	Interim Base Rate	0.34184	0.00000	0.34184	0.00000	0.34184
31	Adjustment	(0.05248)	0.00000	(0.05248)	0.00000	(0.05248)
32	Base Recovery Rate	0.28936	0.00000	0.28936	0.00000	0.28936

**Calculation of Demand Cost of Gas Recovery Rate**  
**Test Year - Twelve Months Ending September 30, 2016**

Line No.	Description (a)	(b)
1	<b>Total Company</b>	
2	Small Volume Firm Recovery Rate Calculation	
3	Annual Demand Costs	\$81,386,446
4	Less LGS Demand Costs	<u>\$14,141</u>
5	Small Volume Demand Costs	<u><u>\$81,372,305</u></u>
6	Annual Sales (Total Firm less LV Firm Sales Svc)	<u>108,162,930</u>
7	Small Volume Recovery Rate (/DT)	<u><u>\$0.7523</u></u>
6	Test Year Demand Costs	
7	Annual Small Volume Firm Sales	108,162,930
8	Small Volume Recovery Rate	<u>\$0.7523</u>
9	Test Year Small Volume Demand Costs	<u><u>\$81,370,972</u></u>
10	Annual Large Firm Demand Cost	
11	Large General Service: per DT/Peak Demand 1/	\$5.6090
12	Large General Service - Peak Demand x 12	<u>2,521</u>
13	Large General Sales Service (line 7 x line 8)	<u><u>\$14,141</u></u>
14	Total Test Year Demand Costs (rounded)	<u><u>\$81,385,000</u></u>



**CenterPoint Energy**  
**Docket Nos. G-008/GR-15-424 and G-008/MR-16-\_\_\_**  
**Base Cost of Gas Filing - 9-8-2016**  
**Exhibit E, Schedule C**  
**Page 1 of 1**

**Calculation of Commodity Cost of Gas Recovery Rate**  
**Test Year - Twelve Months Ending September 30, 2016**

Line No.	Description (a)	Test Year Sales (b)	Recovery Rate (c)	Commodity Costs (d)
<b><u>Sales Service</u></b>				
1	Residential	71,321,240	\$2.9117	\$207,666,054
2	Comm/Ind Firm A	2,231,747	2.9177	\$6,511,568
3	Comm/Ind Firm B	5,891,201	2.9177	\$17,188,757
4	Comm/Ind Firm C	28,718,742	2.9040	\$83,399,228
5	Small Dual Fuel A - Sales Service	7,452,060	3.0324	\$22,597,627
6	Small Dual Fuel B - Sales Service	4,414,443	3.0324	\$13,386,358
7	Lge Firm & Dual Fuel Sales Service	<u>4,347,775</u>	<u>2.8936</u>	<u>\$12,580,722</u>
8				
9	TOTAL - Sales service	<u>124,377,208</u>	<u>2.9212</u>	<u>\$ 363,330,313</u>

- Commodity costs from detailed Billing Determinants based on ALJ Recommendations 241 - 246

b) Compliance filing in G-008/GR-15-424, Schedule A-2c

c) Recovery rate - based on compliance filing in Docket No. G-008/MR-15-728

d) Column (b) x (c)

**Large General Firm Sales Service(LGS)**  
**Large General Service Rate Calculation**

Line  
No.

**(One Sales Service Customer)**

1 There is currently one customer on this rate and one customer forecast to be on  
2 this rate in the test year. In order to derive a a rate for this class CenterPoint Energy  
3 used rate components for active classes with similar characteristics. This approach  
4 was used in both of CenterPoint Energy's last three rate cases, G-008/GR-05-1380 and  
5 and G-008/GR-08-1075, and G-008/GR-13-316.

6

7 **Monthly Basic Charge:** \$ 800.00

8

The Large Dual Fuel authorized Monthly Basic Charge is currently \$800.

9

Proposed to increase per ALJ recommendation.

10

To qualify for either tariff, LGS or LVDF, the customer must use 2,000 therms a day.

11

12 **Demand Delivery Charge:** \$0.42539 per thm Billing demand

13

No change to current rate. This rate was developed in a previous CenterPoint Energy rate case

14

The customer's peak day usage is multiplied by the above rate and is billed monthly.

15

The peak day usage is updated annually.

16

17 **Commodity Delivery Charge:** \$0.07257 per therm used

18

Since this class would be similar in size to the Large Volume Dual Fuel (LVDF) class,

19

the commodity delivery charge equals the rate for the LVDF class.

20

The LVDF Proposed rate is \$0.02837/Therm, or \$0.04765 Including the CCRC adjustment.

**Large General Firm Sales Service(LGS)**  
**Test Year Cost of Gas Calculation**

Line  
No.

**One Customer**

1 There is currently one customers on this rate in the rate case.  
2 In order to derive cost of gas recovery rates for this class, CenterPoint Energy  
3 used cost components for active classes with similar characteristics. This general approach  
4 was used in both of CenterPoint Energy's last three rate cases, G-008/GR-05-1380,  
5 G-008/GR-08-1075, and G-008/GR-13-316.

6  
7 **Demand Cost of Gas Recovery Rate** \$0.56090 per therm of billing demand

8 For the calculation of the Demand Cost Recovery rate, CenterPoint Energy used Commercial-C firm  
9 data. The Commercial-C class is the next largest firm class on CenterPoint Energy's system.

11	Commercial-C + LGS, Test Year Demand costs:	\$21,634,860	1/
12	Commercial-C + LGS, Relative Design Day Demand units:	3,214,311 therms	2/
13	Per unit Demand Cost Recovery Rate calculation:	\$0.56090 per therm	(Line 11 / Line 12 / 12 mos)

14  
15  
16 **Commodity Cost of Gas Recovery Rate:** \$0.28936 per therm used

17 CenterPoint Energy used the Large Volume Dual Fuel (LVDF) test year cost of gas recovery rate.  
18 It is anticipated that volumetric usage of a large firm customer would be similar to customers  
19 in the LVDF class. See Commodity Cost-of-Gas updates.

	<u>DT</u>	<u>Rate</u>	<u>Cost</u>
21 1/ Test year sales x demand cost recov Com-C	28,718,742	3/	
22 LGS	39,545	4/ 5/	
23	28,758,287	0.7523	\$21,634,860
24	<hr/>		
25 2/ peak day estimate Com-C	3,212,210	therms 6/	
26 LGS	2,101	therms	
27	3,214,311		

28  
29 3 / Updated Sales estimate for Com/Ind - C

30 4/ Updated Sales estimate for LGS

31 5/ Updated per-unit small firm demand rate

32 6/ Peak day estimate from Relative Design Day - (MAT-WP) RDA,WP 5, p 5 (no change from original)