COMPRESSED NATURAL GAS SERVICE RATE

APPLICABILITY

Applicable to any non-residential customer of Texas Gas Service Company, a Division of ONE Gas, Inc., (the "Company") for usage where customer purchases natural gas which will be compressed and used as a motor fuel. Service will be separately metered. This rate does <u>not</u> include compression by the Company beyond normal meter sales pressure.

TERRITORY

The incorporated areas of the Central-Gulf Service Area which includes Austin, Bayou Vista, Beaumont, Bee Cave, Buda, Cedar Park, Cuero, Dripping Springs, Galveston, Georgetown, Gonzales, Groves, Hutto, Jamaica Beach, Kyle, Lakeway, Lockhart, Luling, Marble Falls, Mustang Ridge, Nederland, Nixon, Pflugerville, Port Arthur, Port Neches, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A customer charge per meter per month of \$594.55 plus

All Ccf per monthly billing period @ \$0.07817 per Ccf

OTHER ADJUSTMENTS

<u>Cost of Gas Component</u>: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC.

<u>Pipeline Integrity Testing Rider</u>: The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT and PIT-Rider, if applicable.

<u>Pipeline Safety and Regulatory Program Fees:</u> The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Fees Rider, Rate Schedule PSF, if applicable.

<u>Rate Case Expense Rider</u>: The billing shall reflect adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees (including franchise fees) related to above.

RATE SCHEDULE CNG-1 Page 2 of 2

COMPRESSED NATURAL GAS SERVICE RATE (Continued)

CONDITIONS

Subject to all applicable laws and orders and the Company's rules and regulations on file with the regulatory authority.

The Company's Average Payment Plan, also known as the Average Payment Plan (APP Plan), is not available to customers served on this rate schedule.

This rate does not include any road use fees, permits, or taxes etc. It provides for the delivery of uncompressed natural gas only.

Customer must provide affidavit to the Company certifying that the gas delivered will be compressed for use as motor fuel.

The Customer's compressor station is subject to inspection by Company engineers.