

WEATHER NORMALIZATION ADJUSTMENT CLAUSE

APPLICABILITY

The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. (the "Company") in the incorporated and unincorporated areas served in the West-North Service Area including Aledo, Andrews, Anthony, Barstow, Borger, Breckenridge, Bryson, Clint, Crane, Dell City, El Paso, Graford, Graham, Horizon City, Hudson Oaks, Jacksboro, McCamey, Millsap, Mineral Wells, Monahans, Pecos, Pyote, San Elizario, Skellytown, Socorro, Thorntonville, Vinton, Weatherford, Wickett, Willow Park and Wink, Texas and the unincorporated areas including Canutillo, Fabens, Jermyn, Palo Pinto, Perrin, Possum Kingdom, Punkin Center and Whitt, Texas: Rate Schedules 10, 1Z, 15, 1Y, 20, 2Z, 40, and 4Z. The WNA shall be effective during the September through May billing cycles.

PURPOSE

The WNA refunds over-collections or surcharges under-collections of revenue due to colder or warmer than normal weather, as established in the Company's most recent rate filing.

WNA MECHANISM

In order to reflect weather effects in a timely and accurate manner, the WNA adjustment shall be calculated separately for each billing cycle and rate schedule. The weather factor, determined for each rate schedule in the most recent rate case, shows the effect of one heating degree day on consumption for that rate schedule. During each billing cycle, the weather factor is multiplied by the difference between normal and actual heating degree days for the billing period and by the number of customers billed. This WNA volume adjustment is priced at the current cost of service rate per Ccf to determine a WNA revenue adjustment, which is spread to the customers in the billing cycle on a prorata basis. The WNA for each billing cycle and rate schedule shall be based on the following formula:

$$\text{WNA Rate} = \frac{\text{WNAD}}{\text{CV}}, \quad \text{where}$$

WNAD = Weather Normalization Adjustment Dollars to be collected from each billing cycle and rate schedule. This factor shall be based on the following formula:

$$\text{WNAD} = (\text{HDD Diff} * \text{CB} * \text{WF}) * \text{COS rate, where}$$

HDD Diff = (Normal HDD – Actual HDD), the difference between normal and actual heating degree days for the billing period.

CB = Number of customers billed for the billing period.

WF = Weather factor determined for each rate schedule in the most recent rate case.

Supersedes Rate Schedule Dated

February 28, 2019 (Borger/Skellytown Service Area)

November 28, 2018 (North Texas Service Area)

June 26, 2018 (West Texas Service Area)

Meters Read On and After

January 27, 2023 (All West-North Areas Except Incorporated Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Millsap, Mineral Wells, Weatherford and Willow Park)

February 27, 2023 (Incorporated Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Millsap, Mineral Wells, Weatherford and Willow Park)

**WEATHER NORMALIZATION ADJUSTMENT CLAUSE
(Continued)**

Borger and Skellytown:

Residential 0.13147; Commercial 0.53991; Public Authority 1.54062
Weather Station: Rick Husband Amarillo International Airport (KAMA)

Aledo, Breckenridge, Bryson, Graford, Graham, Hudson Oaks, Jacksboro, Jermyn, Millsap, Mineral Wells, Palo Pinto, Perrin, Possum Kingdom, Punkin Center, Weatherford, Whitt, and Willow Park:

Residential 0.14782; Commercial 0.42139; Public Authority 1.89205
Weather Station: Abilene Regional Airport (KABI)

Anthony, Canutillo, Clint, El Paso, Fabens, Horizon City, San Elizario, Socorro, and Vinton:

Residential 0.13977; Commercial 0.44079; Public Authority 2.76130
Weather Station: El Paso International Airport (KELP)

Andrews, Barstow, Crane, McCamey, Monahans, Pecos, Pyote, Thorntonville, Wickett, and Wink:

Residential 0.12336; Commercial 0.30250; Public Authority 1.57811
Weather Station: Midland International Air and Space Port (KMAF)

Dell City:

Residential 0.13977; Commercial 0.44079; Public Authority 2.76130
Weather Station: El Paso International Airport (KELP)

CV = Current Volumes for the billing period.

FILING WITH THE CITIES AND THE RAILROAD COMMISSION OF TEXAS (RRC)

The Company will file monthly reports showing the rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request. By each October 1, the Company will file with the Cities and the RRC an annual report verifying the past year's WNA collections or refunds.

The Company shall file the report with the RRC electronically at GUD_Compliance@rrc.texas.gov or at the following address:

Director of Oversight and Safety Division
Gas Services Department
Railroad Commission of Texas
P.O. Box 12967
Austin, TX 78711-2967

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