

SMALL RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a small residential customer or builder in a single dwelling, or in a dwelling unit of a multiple dwelling structure or residential apartment, for domestic purposes. A residential customer includes an individually-metered residential unit or dwelling that is operated by a public housing agency acting as an administrator of public housing programs under the direction of the U.S. Department of Housing and Urban Development and builders prior to sale or re-sale of a property for domestic purposes.

TERRITORY

All unincorporated and environs areas served by the Company, as listed in the Company's Rules of Service (Rate Schedule Number QSR-TGS), Section 1.1.

COST OF SERVICE RATE

During each monthly billing period, the Cost of Service Rate shall be comprised of:

A customer charge per meter per month of \$19.50 plus

All Ccf metered @14.65 psi* during the monthly billing period @ \$0.92086 per Ccf

*All customers will be billed at a Common Billing Pressure of 14.65 psi, but not all customers receive service at the pressure base of 14.65 psi. To determine the pressure base and conversion factors for your location, refer to the Company's Rules of Service (Rate Schedule Number QSR-TGS), Section 13.1.

The Company will initially assign each customer to the rate schedule that is the most economical based on the annual normalized volume at the customer's service location for the prior twelve (12)-month period. An anticipated annual normalized usage level assessment will be conducted on each new service and for existing service that has less than twelve (12) months of service. The results of this assessment will decide the initial rate assignment:

Annual Normalized Volume Less than 331 Ccf	Small Residential, Rate Schedule 1Z
Annual Normalized Volume 331 Ccf or Greater	Large Residential, Rate Schedule 1Y

The Company will allow customers to elect service on a different rate schedule, provided that the customer must remain on the alternative rate schedule for a period of no less than twelve (12) months. Rate Schedule changes will be effective with the customer's next scheduled bill.

Supersedes Rate Schedules Dated

- May 27, 2025 (West-North and All Central-Gulf Areas except Jarrell, Jonah, Creedmoor, and Spicewood)
- August 25, 2025 (Rio Grande Valley)
- July 1, 2025 (Environs Jarrell and Unincorporated Jonah)
- August 15, 2025 (Environs Creedmoor)
- December 17, 2025 (Unincorporated Spicewood)

Consumption On and After

- January 27, 2026 (All Areas except Spicewood)
- February 5, 2026 (Unincorporated Spicewood)

SMALL RESIDENTIAL SERVICE RATE (Continued)

OTHER ADJUSTMENTS

Cost of Gas Component: 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-ENV.

Pipeline Integrity Testing Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedules PIT and PIT-Rider.

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

Rate Case Expense Riders: The billing shall reflect adjustments in accordance with provisions of the Rate Case Expense Surcharge Riders, Rate Schedules RCE-TGS-ENV and RCE-ENV, if applicable.

Taxes: Plus applicable taxes and fees related to above.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

CONDITIONS

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

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