

GAS RATE NO. A1

SUPPLY ADMINISTRATION SERVICE

APPLICABILITY:

This rate is applicable to 3rd Party Suppliers providing gas supply services to End-Use Customers, and to End-Use Customers acting as their own Supply Agent, in accordance with the Utility's requirements.

SPECIAL PROVISIONS:

Incorporated herein, and made part of this Gas Rate No. A1, are the Terms and Conditions for Gas Service, as amended from time to time. Capitalized terms used in this rate schedule are defined in the Terms and Conditions for Gas Service.

APPLICATION:

3rd Party Suppliers, and End-Use Customers wishing to act as their own Supply Agent, are required to apply for approval to provide gas supply services to End-Use Customers. Only entities listed as approved bidders on CMS Panhandle Eastern Pipe Line Company and Texas Gas Transmission Corporation or their successors are eligible to apply. Applications must be accompanied by a nonrefundable \$1,000 application fee.

SUPPLIER APPLICATIONS:

All 3rd Party Suppliers approved to provide gas supply service to End-Use Customers must submit a 3rd Party Supplier Application to Citizens Gas and comply with Supplier Access Requirements, as defined in the Terms and Conditions for Gas Service. 3rd Party Suppliers, and End-Use Customers acting as their own Supply Agent, are required to comply with all requirements of Gas Delivery service under Gas Rate Nos. D3, D4, D5 and D9. Services to bill End-Use Customers for gas supply charges are automatically provided to 3rd Party Suppliers under terms of Billing Service, under Gas Rate No. A5.

GAS RATE NO. A1 – SUPPLY ADMINISTRATION SERVICE (Cont'd)

ADMINISTRATIVE SERVICE FEES:

The Utility shall bill 3rd Party Suppliers, and applicable End-Use Customers, the following charges for Supply Administration Services which support End-Use Customer-specific supply transactions. Those services include, but are not limited to, nominations, confirmations, scheduling, daily requirements forecasting, imbalance administration, banking coordination, supplier compliance and contract administration. The charges reflect the character of the End-Use Customer accounts, and participation in Supplier Groups or Supplier Pools. Charges to 3rd Party Suppliers include:

\$100 Per Month Per Supplier Group plus \$5 Per Month Per Single Account electing standard Gas Delivery Service

\$100 Per Month Per Supplier Pool plus \$5 Per Month Per Single Account

\$180 Per Month per Single Account electing the Basic Delivery Service Option

Charges to End-Use Customers acting as their own Supply Agent:

\$180 Per Month per Single Account

BILLING

Charges are billed to 3rd Party Suppliers and End-Use Customers acting as their own Supply Agent at month end.