

CITY OF WILLOW PARK

ORDINANCE NO. 550-06

AN ORDINANCE ESTABLISHING MAXIMUM RATES TO BE CHARGED FOR GAS SOLD TO CUSTOMERS BY TEXAS GAS SERVICE COMPANY IN THE CITY OF WILLOW PARK, TEXAS AND DECLARING THIS ORDINANCE TO BE A FINAL DETERMINATION OF RATES.

WHEREAS, on November 23, 2005, Texas Gas Service Company, a division of ONEOK, Inc., (the "Company"), filed with the City of Willow Park, Texas, revised Rate Schedules for the provision of gas sales service for its customers that reside in the City of Willow Park, Texas.

WHEREAS, the City Council of the City of Willow Park (the "City"), after study and consideration of the Company's revised Rate Schedules, desires to establish the maximum rates to be charged to its general service customers for gas sales service within the City of Willow Park; and

WHEREAS, the City of Willow Park, Texas, finds that the Company is entitled to recover the revenues according to the rates and charges set forth on the attached Rate Schedules.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WILLOW PARK, TEXAS, THAT:

SECTION 1. AUTHORIZATION

Texas Gas Service Company, a division of ONEOK, Inc. its successors and assigns, hereby is authorized to provide the service and charge the rates as provided in its Rate Schedules which are attached hereto and incorporated by this reference into this Ordinance as a part of this Ordinance.

SECTION 2. RATE APPLICATION

The attached Rate Schedules shall be made available to all eligible customers in the City of Willow Park and placed into effect for all bills of the Company with meters read on and after March 30, 2006.

SECTION 3. RETURN ON EQUITY

The rate of return on equity shall be 10.85%. The weighted average rate of return shall be 8.34%.

SECTION 4. REPEALER

This Ordinance shall be cumulative of all other ordinances dealing with the same subject and any provision of any ordinance in direct conflict with any provision of this Ordinance is hereby repealed and the provisions of this Ordinance shall supersede any provisions in conflict herewith.

All provisions of other ordinances not in conflict herewith shall remain in full force and effect.

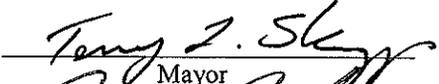
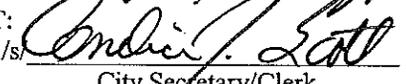
SECTION 5. SEVERANCES

If any section, part or provision of this Ordinance is declared unconstitutional or invalid, by a court or regulatory authority of competent jurisdiction, then it is expressly provided, and it is the intention of the City in passing this Ordinance, that its parts shall be severable and all other parts of this Ordinance shall not be affected thereby and shall remain in full force and effect.

SECTION 6. EFFECTIVE DATE

This Ordinance shall take effect immediately upon its passage and publication according to applicable law.

PASSED AND APPROVED this 16th day of May, 2006 by the following recorded vote:

ATTEST: 
Mayor

/s/ Andie J. Scott
City Secretary/Clerk

The Willow Park City Council in acting on Ordinance No. 550-06, did on the 16th day of May, 2006 vote as follows:

	<u>FOR</u>	<u>AGAINST</u>
Terry Skaggs, Mayor	_____	_____
LaDonna Allen, Place 1	_____✓_____	_____
Rob Welch, Place 2	_____✓_____	_____
Brad Johnson, Place 3	_____✓_____	_____
Jason Ellerbusch, Place 4	_____	_____
Marvin Glasgow, Place 5	_____✓_____	_____

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE 1-INC

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COST OF GAS CLAUSE**A. APPLICABILITY**

This Cost of Gas Clause shall apply to all general service rate schedules of Texas Gas Service Company ("The Company") in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas.

B. DEFINITIONS

1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component related fees (including franchise fees), and other purchased gas expenses.
2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio.
3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its suppliers or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, storage, balancing, and swing services necessary for the movement of gas to the Company's citygate delivery points. The Cost of Purchased Gas shall also include gains or losses from the utilization of natural gas financial instruments that are executed by the Company for the purpose of mitigating high prices and price volatility.
4. Reconciliation Component - The amount to be returned to or recovered from customers each month from December through August as a result of the Reconciliation Audit.
5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the accounting month of August to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company (per Section B(3) above) to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period and (e) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

Supersedes Rate Schedules:
1-INC dated 8/24/01 (Weatherford, Willow Park,
Aledo, Hudson Oaks, Mineral Wells, Graford,
Millsap, Jacksboro, Bryson, Graham)
1 dated 6/23/2000 (Breckenridge)

Meters Read On and After
March 30, 2006

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE 1-INC

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COST OF GAS CLAUSE
(Continued)

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased of a general service customer during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 1.0526 i.e. $1/(1 - .05)$ unless expressly authorized by the applicable regulatory authority.
7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records, (per Section B(3) above) (b) the revenues produced by the operation of this cost of gas clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period (e) the total amount of uncollectible accounts that are attributable to charges calculated under this tariff during the period, and (f) an adjustment, if necessary, to exclude lost and unaccounted for gas during the period in excess of five (5) percent of purchases.
8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS

In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

Supersedes Rate Schedules:
1-INC dated 8/24/01 (Weatherford, Willow Park,
Aledo, Hudson Oaks, Mineral Wells, Graford,
Millsap, Jacksboro, Bryson, Graham)
1 dated 6/23/2000 (Breckenridge)

Meters Read On and After
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TEXAS GAS SERVICE COMPANY
North Texas Area

RATE SCHEDULE 1-INC
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COST OF GAS CLAUSE
(Continued)

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E below, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather, growth, and conservation for the period beginning with the December billing cycle last preceding through the August billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following December billing cycle and continuing through the next following August billing cycle at which time it will terminate until a new Reconciliation Component is determined.

E. PAYMENT FOR FUNDS

Concurrently with the Reconciliation Audit, the Company shall determine the amount by which the Cost of Gas was over or under collected for each month including any cost of gas inventory in storage within the period of audit. If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%). If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during November an amount equal to the average balance multiplied by nine percent (9%).

F. SURCHARGE OR REFUND PROCEDURES

In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account.

Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds, above.

Supersedes Rate Schedules:
1-INC dated 8/24/01 (Weatherford, Willow Park,
Aledo, Hudson Oaks, Mineral Wells, Graford,
Millsap, Jacksboro, Bryson, Graham)
1 dated 6/23/2000 (Breckenridge)

Meters Read On and After
March 30, 2006

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE 1-INC

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COST OF GAS CLAUSE

(Continued)

G. COST OF GAS STATEMENT

The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. The Cost of Gas Statement shall set forth (a) the Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas which is the total of items (b) through (d). The statement shall include all data necessary for the Regulatory Authority to review and verify the calculations of the Cost of Gas. The date on which billing using the Cost of Gas is to begin is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT

The Company shall file an annual report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred by month for the twelve months ending August 31.
2. A tabulation of gas units sold to general service customers and related Cost of Gas clause revenues.
3. A summary of all other costs and refunds made during the year and the status of the operations of the Cost of Gas Clause to date.
4. A tabulation of the uncollectible accounts attributable to charges calculated under this tariff, including monthly amounts charged off, and monthly charged off amounts later collected, if any.
5. Transition from the preceeding Cost of Gas Clauses to this Cost of Gas Clause will occur simultaneously with the effective date of this tariff. All existing under or over recoveries will be aggregated to an area wide reconciliation. The first reconciliation under this new tariff will be filed on a North Texas Area wide basis for 12 months ending August in the next reconciliation report.

This report shall be filed concurrently with the Cost of Gas Statement for December.

Supersedes Rate Schedules:

1-INC dated 8/24/01 (Weatherford, Willow Park,

Aledo, Hudson Oaks, Mineral Wells, Graford,

Millsap, Jacksboro, Bryson, Graham)

1 dated 6/23/2000 (Breckenridge)

Meters Read On and After

March 30, 2006

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE 10

RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes.

TERRITORY

All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of	\$ 15.00 plus
All Ccf at	\$.09230 per Ccf

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-INC.

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

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

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.
2. Residential service shall have priority in supply.

This Rate Schedule replaces Residential Rate Schedules:

- 10 dated 9/22/00 (Weatherford), 05/25/01 (Mineral Wells), 06/23/00 (Breckenridge), 01/28/91 (Graham), 05/24/00 (Jacksboro)
- 11 dated 10/31/00 (Willow Park), 07/26/01 (Graford), 06/23/00 (Bryson)
- 12 dated 10/31/00 (Aledo), 07/26/01 (Millsap)
- 14 dated 10/31/00 (Hudson Oaks)

Supersedes
See list above

Meters Read On and After
March 30, 2006

TEXAS GAS SERVICE COMPANY
North Texas Area

RATE SCHEDULE 20

COMMERCIAL SERVICE RATE

APPLICABILITY

Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule, with monthly usage of 2,900 Ccf or less, on average.

TERRITORY

All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of	\$ 30.00 plus
All Ccf at	\$ 0.14130 per Ccf

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-INC.

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

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

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.

This Rate Schedule replaces Commercial Rate Schedules:

20 dated 9/22/00 (Weatherford), 05/25/01 (Mineral Wells), 06/23/00 (Breckenridge), 01/28/91 (Graham), 05/24/00 (Jacksboro)
 21 dated 10/31/00 (Willow Park), 07/26/01 (Graford), 06/23/00 (Bryson)
 22 dated 10/31/00 (Aledo), 07/26/01 (Millsap)
 24 dated 10/31/00 (Hudson Oaks)

Supersedes
See list above

Meters Read On and After
March 30, 2006

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE 30

INDUSTRIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government, with monthly usage of 2,900 Ccf or less, on average.

- Division B - Mining - all Major Groups
- Division D - Manufacturing - all Major Groups
- Divisions E and J - Utility and Government - facilities generating power for resale only.

TERRITORY

All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of	\$ 50.00 plus
All Ccf at	\$ 0.09950 per Ccf

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-INC.

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

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.

This Rate Schedule replaces Industrial Rate Schedules:
30 dated 9/22/00 (Weatherford), 05/25/01 (Mineral Wells), 06/23/00 (Breckenridge), 01/28/91 (Graham), 05/24/00 (Jacksboro)
31 dated 10/31/00 (Willow Park), 07/26/01 (Graford), 06/23/00 (Bryson)
32 dated 10/31/00 (Aledo), 07/26/01 (Millsap)
34 dated 10/31/00 (Hudson Oaks)

Supersedes
See list above

Meters Read On and After
March 30, 2006

TEXAS GAS SERVICE COMPANY
North Texas Area

RATE SCHEDULE 35

LARGE VOLUME INDUSTRIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government, with monthly usage greater than 2,900 Ccf, on average.

Division B	- Mining – all Major Groups
Division D	- Manufacturing - all Major Groups
Divisions E and J	- Utility and Government - facilities generating power for Resale only.

TERRITORY

All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of	\$ 400.00 plus
All Ccf at	\$ 0.07400 per Ccf

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-INC.

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

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.

This Rate Schedule replaces Large Volume Industrial Rate Schedules:

32 dated 05/24/00 (Jacksboro), 06/23/00 (Breckenridge – Special Industrial), 33 dated 06/23/00 (Bryson)
 35 dated 9/22/00 (Weatherford), 36 dated 10/31/00 (Willow Park), 05/25/01 (Mineral Wells),
 37 dated 10/31/00 (Aledo), 07/26/01 (Graford), 38 dated 07/26/01 (Millsap), 39 dated 10/31/00 (Hudson Oaks)

Supersedes
See list above

Meters Read On and After
March 30, 2006

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE 40**PUBLIC AUTHORITY SERVICE RATE**APPLICABILITY

Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts, with monthly usage of 2,900 Ccf or less, on average.

TERRITORY

All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of	\$ 50.00 plus
All Ccf at	\$ 0.14710 per Ccf

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-INC.

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

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

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other consumers served.

This Rate Schedule replaces Public Authority Rate Schedules:

40 dated 9/22/00 (Weatherford), 05/25/01 (Mineral Wells), 06/23/00 (Breckenridge), 01/28/91 (Graham), 05/24/00 (Jacksboro)

41 dated 10/31/00 (Willow Park), 07/26/01 (Graford), 06/23/00 (Bryson)

42 dated 10/31/00 (Aledo), 07/26/01 (Millsap)

44 dated 10/31/00 (Hudson Oaks)

Supersedes
See list above

Meters Read On and After
March 30, 2006

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE 25**LARGE VOLUME COMMERCIAL SERVICE RATE****APPLICABILITY**

Applicable to commercial customers and to customers not otherwise specifically provided for under any other rate schedule, with monthly usage greater than 2,900 Ccf, on average.

TERRITORY

All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of	\$ 400.00 plus
All Ccf at	\$ 0.14220 per Ccf

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-INC.

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

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

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served.

This Rate Schedule replaces Large Volume Commercial Rate Schedules:

22 dated 05/24/00 (Jacksboro)

23 dated 06/23/00 (Bryson)

25 dated 9/22/00 (Weatherford), 05/25/01 (Mineral Wells)

26 dated 10/31/00 (Willow Park), 07/26/01 (Graford)

27 dated 10/31/00 (Aledo), 07/26/01 (Millsap)

29 dated 10/31/00 (Hudson Oaks)

Supersedes
See list above

Meters Read On and After
March 30, 2006

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE 45**LARGE VOLUME PUBLIC AUTHORITY SERVICE RATE****APPLICABILITY**

Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts, with monthly usage greater than 2,900 Ccf, on average.

TERRITORY

All customers in the incorporated area of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge of	\$ 400.00 plus
All Ccf at	\$ 0.18460 per Ccf

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-INC.

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

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

CONDITIONS

1. Subject to all applicable laws and orders, and the Company's Rules and Regulations on file with the regulatory authority.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other customers served.

This Rate Schedule replaces Large Volume Public Authority Rate Schedules:

42 dated 05/24/00 (Jacksboro)

43 dated 06/23/00 (Bryson)

45 dated 9/22/00 (Weatherford), 05/25/01 (Mineral Wells)

46 dated 10/31/00 (Willow Park), 07/26/01 (Graford)

47 dated 10/31/00 (Aledo), 07/26/01 (Millsap)

49 dated 10/31/00 (Hudson Oaks)

Supersedes
See list above

Meters Read On and After
March 30, 2006

TEXAS GAS SERVICE COMPANY

North Texas Area

RATE SCHEDULE WNA

Page 1 of 1

WEATHER NORMALIZATION ADJUSTMENT CLAUSE**A. APPLICABILITY**

The Weather Normalization Adjustment Clause (WNA) shall apply to the following general service rate schedules of Texas Gas Service Company in the incorporated areas of Weatherford, Aledo, Hudson Oaks, Willow Park, Mineral Wells, Graford, Millsap, Breckenridge, Graham, Jacksboro and Bryson: 10, 20, 25, 40, and 45. The WNA shall be effective during the September through May billing cycles.

B. 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.

C. 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.

D. FILING WITH THE CITIES

The Company will file with the City 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 City an annual report verifying the past year's WNA collections or refunds.

Supersedes Same Sheet Dated
Sept. 22, 2000 (Weatherford),
Oct. 31, 2000 (Willow Park, Aledo and Hudson Oaks),
May 25, 2001 (Mineral Wells),
July 26, 2001 (Graford and Millsap)

Meters Read On and After
March 30, 2006