**PUBLIC AUTHORITY SERVICE RATE**

**APPLICABILITY**

Applicable to any qualifying public authority, 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.

**TERRITORY**

Unincorporated areas of the Rio Grande Valley Service Area, which includes the environs of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas, the unincorporated cities of Bayview, Laguna Heights, Monte Alto, Olmito, and San Carlos and the unincorporated areas of Jim Hogg and Starr counties, Texas.

**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 $100.00 plus

All Ccf metered @14.65 psi\* during the monthly billing period @ $0.84312 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-RGV), Section 13.1.

**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 provisions of the Cost of Gas Clause, 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, if applicable.

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, if applicable.

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

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.

**PUBLIC AUTHORITY SERVICE RATE (Continued)**

**CONDITIONS**

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