

**Terms and Conditions
For Natural Gas Service**

1. **PURPOSE.** These terms and conditions are prescribed to govern natural gas service and are intended to facilitate the rendering of uniform, efficient, and adequate service to the Customers of Entergy Gulf States, Inc. They are necessary for a clear understanding of the obligations of all parties in business relations between the Company and its natural gas Customers. They are a part of the Company's contract with each Customer and a part of the Company's rate schedules. Any or all of these terms and conditions not inconsistent with a particular rate schedule are as much a part of such rate schedule as if repeated therein.
2. **REQUESTS FOR SERVICE.** Applications for natural gas service, within the territory serviced by the Company, of a type for which the Company has a rate schedule file, will be accepted from applicants desiring such service, subject to the provisions of these terms and conditions. Each class of service, at each location at which service is desired, will be considered separately and there will be a separate application of the appropriate rate schedule for each class of service at each point of delivery.

Certain classes of service, as stipulated in the appropriate rate schedules, require contracts; such contracts may contain special provisions that apply to the particular situation. In the case of Customers whose load is of unusual size or characteristics, or at a remote location, additional rate and contractual arrangements may be justified.

3. **AVAILABILITY.** Service will be considered available if a point of delivery is located immediately adjacent to, or at a location that can be reached via an acceptable main extension, the Company's distribution line of suitable pressure and capacity to deliver the service applied for, and the applicant has satisfied the requirements of these terms and conditions as well as the applicable rate schedule, and the Company has the required natural gas available at the point of delivery to supply the applicant.
4. **RATE AND USE OF SERVICE.** The Customer will receive and pay monthly for all natural gas service in accordance with the applicable rate schedule. Bills are to be rendered monthly by the Company in accordance with the said rate and are payable within 20 days from meter reading date. The terms "month" and "monthly" as used herein are intended to designate the period between any two consecutive readings of the Company's meters at approximately 30-day intervals.

Except when specifically provided for in the rate schedule or contract, no resale, shared, supplementary, standby, or breakdown service is available. Customer shall not, directly or indirectly, sell, sublet, assign, share, or otherwise dispose of the natural gas service, or any part of such service.

The Company is responsible for all work on service and meter locations. Under no circumstances should the customer perform work on Company gas facilities.

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Rates are normally established on a twelve-month basis; if more than one rate is applicable to Customer's service, Customer may choose whichever rate is best adapted to his existing or anticipated service on at least a twelve-month basis, and having selected such rate may not again change the rate within a twelve-month period unless there is substantial and permanent change in the character or conditions of Customer's service or a change that affects Customer's service in Company's applicable rates. A new Customer will be given reasonable opportunity to determine his service requirements before selecting the most favorable rate for such requirements. The Company does not assume responsibility that Customer will be served under the most favorable rate and the Company shall have no liability to make refunds covering the difference in charges under the rate in effect and the charges under any other rate applicable to Customer's service.

The rate charged Customer will be Company's standard rate schedule in effect for like conditions of service to the class of service furnished Customer. If a rate increase or decrease should be made applicable to the class of service furnished Customer by the Company or by order or permission of any regulatory body having jurisdiction thereof, such increased or decreased rate shall be applicable to the service rendered hereunder from and after the effective date of such rate change.

5. **DEPOSITS.** The Company may require the Customer to make and maintain a reasonable deposit to guarantee payment of bills. When service is discontinued the amount of the deposit plus interest thereon will first be applied to pay any amount owed the Company by the Customer and any remaining portion of the deposit and interest will be refunded.
6. **POINT OF DELIVERY.** The Company will supply to one premises only one point of delivery and only one of Company's standard types of service and the Customer's installation is to be so arranged that Company measures the Customer's natural gas service with one metering installation. Unless otherwise specified, the point of delivery of service shall be the point at the outlet side of the Company's meter where the Company's piping connects to customer's fuel line. The gas service location will be determined by the Company. It will generally be installed at the shortest distance from the point of connection with the Company's gas main (tap) to the location of the Company's metering equipment for the property to be served. There should be only one service to each building or group of buildings having a common address. However, the estimated cost of such service line Company's main to the point of delivery will be paid for by the Customer, which estimated cost will be on a cost-per-foot basis, reflecting Company's current costs, except where conditions are not reasonably average. All other piping and appliances on Customer's side of delivery (subject to paragraph 7, Metering) will be furnished, installed and maintained by and at the expense of the Customer. All piping and devices on Company's side of the point of delivery shall be furnished, installed and maintained by and at the expense of the Company. If Customer requests service by unusual arrangement, the cost of such special connection will be borne by the Customer.
7. **METERING.** All meters and devices necessary to measure and deliver natural gas are to be furnished and installed by the Company and will remain the property of the Company. Company shall have access to its property on Customer's premises at all reasonable times.

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The Company will test its meters at intervals as may be required by good operating practice and all lawful regulations. No adjustment of bills will be made where the error of registration of meters is found to be four percent or less, but in case the registration of a meter is found to be in error more than four percent, proper adjustment will be made for the period during which the meter was in error. If Company's meter fails to register, the quantities which should have been measured by the meter will be estimated from the best available information.

The Company may require Customer to pay Company's cost for a special test of meter at time other than regular test if such a test is requested by Customer and meter is found to be accurate within four percent.

8. **DEFAULT AND SUSPENSION OF SERVICE.** The Company may suspend service, upon or after such notice to the Customer as may be reasonable under the circumstances and remove its facilities from the Customer's premises for any of the following reasons: Any natural gas service bill in arrears, failure of the Customer to comply with these terms and conditions, to prevent fraud and abuse, discovery that meter has been tampered with or damaged, discovery of conditions dangerous to life and property, or repairs to the Company's facilities. Service will be restored in cases of suspension of service for any of the above reasons except 'repairs to Company's facilities' after Customer has paid a charge to Company to partially offset Company's additional cost incurred in disconnecting and reconnecting service, provided the cause for suspension has been removed. Customer will pay a charge for reconnection of service when service has been disconnected during the summer season at Customer's request. Such charge for discontinuing and reconnecting service shall be in accordance with Company schedule then in effect providing for such charge.
9. **INTERRUPTIONS TO SERVICE.** The Company shall use due diligence in the operation and maintenance of its equipment and facilities so as to furnish the Customer as nearly as may be, continuous and uninterrupted supply of natural gas, but it is expressly understood that the Company shall not be liable to the Customer, nor shall the Customer be liable to the Company, by reason of the failure of the Company to deliver, or the Customer to receive, natural gas as the result of injunction, fire, strike, riot, explosion, flood, accident, breakdown, fuel storage, delay or failure of performance by a third party, governmental action or inaction, acts of God or the public enemy or other acts or conditions reasonably beyond the control of the party affected, nor shall the Company be liable for damages occasioned by interruption of service, when such interruptions are necessary to make repairs or changes in the Company's equipment and facilities.
10. **LIABILITY.** Customer assumes all responsibility for the natural gas delivered hereunder after it leaves Company's lines, as well as for the piping, apparatus and appurtenances used in connection therewith at and beyond the point of delivery, and hereby agrees to protect and save Company harmless and indemnified from injury or damage to persons or property occasioned by such natural gas or by piping, apparatus and appurtenances at and beyond said point of delivery, except where said injury or damage shall be shown to have been occasioned by the negligence of Company. It is further understood and agreed that

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- Company shall not be responsible for injury or damage to Customer's employees in tampering with or attempting to repair and/or maintain any of the Company's lines, piping, apparatus or equipment on Company's side of the point of delivery, or such meters, appliances and appurtenances as Company may install on Customer's premises at and beyond the point of delivery and Customer will protect, save harmless and indemnify Company against all liability, loss, cost, damage and expense including attorney's fees by reason of such injury or damage to such employees or other person or persons; and, likewise, Customer shall not be liable for injury or damage to Company's employees in tampering with or attempting to repair and/or maintain any of Customer's lines, piping, apparatus or equipment on Customer's premises, and Company will protect, save harmless and indemnify Customer against all liability, loss, cost, damage and expense including attorney's fees by reason of such injury or damage to such employees.
11. **RIGHTS-OF-WAY AND EASEMENTS.** Where line extensions are necessary to render service, Customer agrees to furnish an adequate right-of-way without cost to Company on land owned or controlled by Customer and to aid Company in every practicable way to secure other necessary rights-of-way at reasonable cost. Any agreement by Company to extend its lines or facilities is conditional upon securing and retaining the necessary franchises, rights-of-way, and permits, at reasonable costs and without expropriation.
12. **LOCATIONS FOR METERS, ETC.** The Customer shall furnish a suitable place on the customer's property that is readily accessible, protected, and satisfactory to the Company for the proper installation of regulators, meters and other equipment necessary to deliver and measure the natural gas furnished. Customer agrees not to injure or tamper with, and to take all reasonable steps to prevent other persons from injuring or tampering with said regulators, meters, and other equipment, of Company. Company shall have access to its property on Customer's premises at all reasonable times.
13. **CUSTOMER'S INSTALLATION.** Customer will install and maintain in a thoroughly safe and efficient manner, and in accordance with good practice and all applicable lawful regulations, all of its lines, apparatus, machinery and appliances connected to the Company's line. Any required permit or certificate of inspection will be obtained by and at the expense of the Customer before service is made available. If at any time upon orders from a local governing body to terminate a gas service or any part of Customer's lines, apparatus, machinery or appliance shall be in a condition which interferes with Company's proper service to Customer, or to its other Customers, Company shall have the right, in addition to any other rights of discontinuance hereunder, to discontinue service to Customer until such interfering parts shall be put back in proper operating condition, or shall have been replaced or disconnected. However, the Company does not assume the duty of inspecting the Customer's lines, apparatus, machinery, or appliances, or any part thereof, nor does the fact that service may have been made available constitute its approval of Customer's installation.
14. **PAYMENT FOR ALTERING EXISTING SYSTEMS.** If the Company makes changes in existing systems or facilities at the Customer's request, the cost of such changes shall be paid by the Customer.

Entergy Gulf States, Inc.
ISSUED: 6-29-05
ISSUED BY: John Avaltroni
Manager Rate Administration

Original Sheet No.: 45
Canceling Original Sheet No. 29
EFFECTIVE: June 29, 2005

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15. **TEMPORARY SERVICE.** Installation cost, cost of materials not salvable, and removal cost of facilities for temporary service shall be paid by the Customer in addition to the amounts arrived at by applying the appropriate rate schedule. The Customer shall pay to the Company in advance for the installation costs, cost of materials not savable, and removal costs, as estimated by the Company, in addition to the deposit which may be required as security for payment for natural gas service. The Company may refuse to render temporary service if service to other Customers will be affected adversely.
16. **CONNECTIONS TO COMPANY'S LINES.** All connections to the lines or facilities of the Company will be made only by the Company's authorized employees or agents.
17. **REMOVAL OF COMPANY'S FACILITIES.** Upon discontinuance of service, the Company may without liability for injury or damage dismantle and remove all facilities installed for the purpose of supplying natural gas service to the Customer, and shall be under no further obligations to serve Customer at that point of delivery.