

FRANCHISE FEE RIDER

Billing of Franchise, Gross Earnings, Receipts or Revenue Tax, Excise Tax or Other Charges or Taxes

There shall be added to the customer's bill, an amount equal to any franchise gross earnings, excise or other charges or taxes now or hereafter imposed upon CenterPoint Energy, whether imposed by ordinance, franchise or otherwise applicable to gas service supplied by CenterPoint Energy to customer.

The Company remits 100% of these fees collected from ratepayers to the local governmental unit. The Company will notify the Minnesota Public Utilities Commission of any new, expired, or changed franchise fee, authorized by Minn. Stat. § 216B.36 to raise revenue, 60 days prior to its implementation. Notification to the Minnesota Public Utilities Commission will include a copy of the relevant franchise ordinance, or other operative document authorizing imposition of the fee.

The Company will include the following language on the first bill of a customer on which a new or modified fee is listed:

The MUNICIPALITY granted CenterPoint Energy a franchise to operate within the city Limits. A Gas franchise fee of x.x% of Gross Revenues/\$x.xx per Meter/\$x.xx per Therm will be collected from customers effective MM/DD/YYYY. The line item appears on your bill as "City Franchise Fee." CenterPoint Energy remits 100% of this fee to the MUNICIPALITY.

City	Residential	Com-A Less than 1,500 therms/yr	Com/Ind B 1,500 > or < 5,000 therms/yr	Com/Ind C > 5,000 therms/yr	Small Volume Dual Fuel A < 120,000 therms/yr	SVDF B > 120,000 therms/yr	Large Volume Dual Fuel >1,999 therms Peak Day	Effective Date
Afton	\$2.00	\$4.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	01/01/2005
Alexandria	5%	5%	5%	5%	5%	5%	5%	04/01/2004
Anoka	\$3.00	\$3.00	\$8.75	\$38.20	\$81.80	\$327.25	\$981.80	01/01/2012
Benson	\$2.00	\$3.33	\$4.00	\$10.00	\$13.33	\$20.00	\$50.00	01/01/2010
Blue Earth	\$2.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	12/01/2003
Brooklyn Center	\$1.52	\$1.58	\$5.15	\$20.60	\$51.50	\$98.88	\$98.88	05/12/2009
Champlin	\$2.50	\$2.50	\$8.00	\$35.00	\$70.00	\$125.00	\$125.00	01/01/2009
Coon Rapids	4%	4%	4%	4%	4%	4%	4%	01/01/1992
Cottage Grove	\$1.65	\$4.95	\$8.25	\$8.25	\$16.50	\$16.50	\$24.75	01/01/2010
Deephaven	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	02/04/2002
Excelsior	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	10/15/2005
Granite Falls	5%/\$1,500 maximum	5%/\$1,500 maximum	5%/\$1,500 maximum	5%/\$1,500 maximum	5%/\$1,500 maximum	5%/\$1,500 maximum	5%/\$1,500 maximum	03/31/2005
Hopkins	\$1.70	\$1.70	\$5.00	\$15.00	\$30.00	\$105.00	\$105.00	01/01/2012
Lake Crystal	5%	5%	5%	5%	5%	5%	5%	08/01/2003
Lexington	3%	3%	3%	3%	3%	3%	3%	10/01/2010
Little Falls	\$1.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	01/01/2004
Long Prairie	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	01/01/2007
Mankato	\$.95	\$2.50	\$5.25	\$12.00	\$15.00	\$20.00	\$25.00	10/01/2008
Minneapolis	4.50%	5%	5%	5%	5%	5%	3%	01/01/1992

Note: Percents are calculated on percent of revenue.

FRANCHISE FEE RIDER (CONTINUED)

City	Residential	Com-A Less than 1,500 therms/yr	Com/Ind B 1,500 > or < 5,000 therms/yr	Com/Ind C > 5,000 therms/yr	Small Volume Dual Fuel A < 120,000 therms/yr	SVDF B > 120,000 therms/yr	Large Volume Dual Fuel >1,999 therms Peak Day	Effective Date
Morris	\$2.00	\$5.00	\$9.00	\$27.00	\$35.00	\$35.00	\$750.00	07/01/2004
Mound	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	02/01/2011
Mounds View	4%	4%	4%	4%	4%	4%	4%	01/01/2012
New Hope	\$1.50	\$3.00	\$6.00	\$20.00	\$30.00	\$40.00	\$60.00	01/01/2004
North Mankato	\$1.00	\$5.00	\$10.00	\$15.00	\$20.00	\$30.00	\$75.00	06/01/2008
Oakdale	\$1.50	\$5.00	\$5.00	\$8.00	\$17.00	\$17.00	\$17.00	01/01/2011
Osseo	2%	2%	2%	2%	2%	2%	2%	3/1/2012
Owatonna	1.75%	1.75%	1.75%	1.00%	1.00%	1.00%	1.00%	01/01/2003
Prior Lake	\$1.50	\$1.50	\$5.00	\$5.00	\$10.00	\$10.00	\$50.00	07/01/2006
Richfield	\$2.05	\$2.05	\$6.33	\$14.08	\$14.08	\$14.08	\$14.08	08/01/2010
Robbinsdale	4%	4%	4%	4%	4%	4%	4%	06/01/2011
Sauk Centre	3%	3%	3%	3%	3%	3%	3%	07/01/2012
Sleepy Eye	2%	2%	2%	2%	2%	2%	2%	01/01/1998
St. Augusta	\$3.00	\$5.00	\$5.00	\$5.00	\$3.00	\$3.00	\$5.00	01/03/2010
St. Louis Park	\$2.00	\$2.00	\$4.00	\$13.25	\$13.25	\$13.25	\$73.00	02/01/2011
Waseca	\$1.40	\$1.80	\$5.00	\$16.00	\$100.00	\$150.00	\$300.00	09/01/2010
Winnebago	\$1.50	\$1.50	\$4.25	\$10.50	\$11.00	\$50.00	\$75.00	12/1/2011
Winsted	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	04/01/2012

Note: Percents are calculated on percent of revenue.