

CENTERPOINT ENERGY**DAILY BALANCING SERVICE AGREEMENT**

This Agreement ("Agreement") is between CenterPoint Energy, a division of CenterPoint Energy Resources Corp., ("CenterPoint Energy") and _____ ("Customer").

Section 1. Availability.

Service under this Agreement is available to any customer, or to any agent representing a customer or a group of customers, taking service under CenterPoint Energy's Firm or Dual Fuel Transportation tariffs. A copy of CenterPoint Energy's current applicable Transportation Tariff and Daily Balancing Service Rider is attached.

Section 2. General Terms and Conditions.

The obligations of CenterPoint Energy and the Customer under this Agreement are subject to all general terms and conditions of service of CenterPoint Energy's Rate Book. Except as specifically provided herein, all terms and conditions of the applicable Transportation Tariff and related agreements remain in effect. The terms and conditions of the Daily Balancing Service Rider are incorporated by reference into this Agreement.

Section 3. Term.

This Agreement shall be in effect for an initial term of one (1) month commencing on _____, 200_, and shall remain in effect from month to month thereafter until terminated by either party with thirty (30) days written notice. Changes in the amount of contracted Daily Balancing Quantity must be made at least 5 working days prior to the end of the preceding month.

Section 4. Quantity.

Customer elects the following amount of Daily Balancing Quantity: _____ Therms.

Section 5. Multiple Accounts.

If a customer or an agent has multiple accounts, they will provide CenterPoint Energy with the names, CenterPoint Energy accounts numbers and the assignment of the portion of the Daily Balancing Quantity elected in Section 4 for each account. Under no circumstances will the total of individual accounts exceed the total quantity elected in Section 4; nor shall such amount assigned to an individual account exceed 20% of the customer's peak day volume.

Section 6. Charges.

The rate for the Daily Balancing Service will be governed by the applicable Rider, copy attached.

Section 7. Suspension of Service.

On gas days when the Company in its sole discretion determines it is experiencing a System Overrun Limitation (SOL), the Company may notify the customer that the Daily Balancing Service is suspended. When service is suspended, the customer shall be required to operate within the nomination tolerances of the applicable transportation rate schedule and will be assessed applicable penalties upon noncompliance with the terms of the transportation rate schedule. CenterPoint Energy will notify customers of the suspension of this service as soon as possible, however, the latest CenterPoint Energy will notify customers of the suspension of this service is by 3:00 p.m. CST of the gas day for which the suspension has been called.



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Section 8. Law and Regulation.

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms and conditions of the Agreement, the Rider shall govern. If a change in the Rider creates a conflict with any section of this Agreement, either party may cancel this Agreement immediately upon delivery of written notice of such cancellation to the other party. Further, the operation and effectiveness of this Agreement shall not continue if such continuance would violate any applicable statute, regulation or other jurisdictional authority.

Section 9. Complete Agreement.

This Agreement and the Rider constitute the parties' complete agreement. With the exception of changes to the Rider, this Agreement cannot be changed except in a writing signed by both parties.

CENTERPOINT ENERGY
a division of CenterPoint Energy Resources Corp.

CUSTOMER

By: _____

By: _____

Its: _____

Its: _____

Dated: _____

Dated: _____