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June 30, 2025

Mr. Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

**Re: Annual Compliance Submission of CenterPoint Energy Minnesota Gas, a Division of
CenterPoint Energy Resources Corp, for its Gas Affordability Service Program**

MPUC Docket No. G-008/M-25-38

COMPLIANCE FILING

Dear Mr. Seuffert:

Enclosed for filing is CenterPoint Energy's annual Gas Affordability Program ("GAP") report. This annual report includes a 14-month reporting period to accommodate the first year of the program date changes; the program dates for this filing are January 1, 2024, through February 28, 2025. Future filings of the GAP program will be the 12-month program year, March 1, 2025, through February 28, 2026. The Company is excited to share the increase in GAP participation due to autoenrollment process implemented.

If you have questions regarding the information provided in this filing, please contact me at (612) 321-5191 or sherry.kemmetmueller@centerpointenergy.com.

Sincerely,

/s/ Sherry Kemmetmueller

Manager, Regulatory Affairs

Enclosure

cc: Service List

**STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

Katie Sieben	Chair
Joseph Sullivan	Commissioner
Audrey Partridge	Commissioner
Hwikwon Ham	Commissioner
John Tuma	Commissioner

Annual Compliance Submission of CenterPoint
Energy Minnesota Gas, a Division of CenterPoint
Energy Resources Corp., for its Gas Affordability
Service Program

Docket No. G-008/M-25-38

COMPLIANCE FILING

1. Introduction

CenterPoint Energy Minnesota Gas (“CenterPoint Energy” or the “Company”) provides this annual report on the status of its Gas Affordability Service Program (“GAP” or “Program”). The information provided in this filing is based on the information the Company committed to provide in its June 6, 2006, Reply Comments in Docket G-008/GR-05-1380 and includes the additional information required by subsequent Commission Orders.¹ Section 5.2 of the Company’s GAP tariff (Section V, p. 25.a) states that “(t)he annual reports will include the effect of the Program on customer payment frequency, payment amount, arrearage level and number of customers in arrears, service disconnections, retention rates, customer complaints and utility collection activity.”

To provide further assistance to our low-income customers, the Commission authorized the Company in Docket G008/M-23-84 to increase its GAP fund spending cap to \$10,000,000 per year. The Commission also accepted CenterPoint Energy’s surcharge increase to \$0.00764 per therm. Order point 8 requires CenterPoint energy to report on its surcharge and benefit levels and whether they need to be adjusted in the 2024 GAP report. This information is included in Section 24 and Schedules E and F.

The approval of CenterPoint Energy’s request to begin in January 2024 automatically enrolling eligible customers into its GAP is included in this annual compliance filing. The 2024 annual report includes 2 additional months of data, January and February of 2024 are included with the new program year of March 1, 2024 through February 28, 2025. CenterPoint Energy must monitor the monthly spending from and income to the GAP program. If, and when, the program is on track to deplete its tracker balance within 6 months, the Company will make a filing with the Commission that includes the tracker balance, income and spending monthly for the previous 6 months and projected 6 months in the future. Additionally, the filing will have an evaluation of possible modifications to avoid closure of the program; including modifying the affordability benefit and arrearage forgiveness benefit amounts for the participants, changing the program funding

¹ See Schedule C for a summary table of the Orders 2011 through 2024.

level/surcharge, and other options the Company has considered and a proposal to avoid the projected negative tracker balance. The Company is seeing positive participation rates since implementing the modifications of the GAP program in 2024 to providing more energy cost assistance to our income qualified customers. The Company coordinated with Consumer Affairs office (“CAO”) staff, Department of Commerce (“DOC”), Citizens Utility Board (“CUB”), and Energy Cents Coalition (“ECC”), on the creation and design of the customer communications in 2024. As we implemented the changes to the program in 2024, the Company monitored the monthly spending and income to the GAP program to continue to serve our customers. Please see section 24 for more detailed information on the GAP tracker.

The Order in Docket G008/M-21-218, requires the Company report the number and location of employees who are trained and work with customers on GAP, provide an explanation of CenterPoint’s allocation of GAP-related employees in and outside of Minnesota and how that decision best services ratepayers in Minnesota, provide a description of the training CenterPoint provides to these employees, and a description of how CenterPoint collaborates with low- income organizations and CAP agencies in Minnesota.

Currently, the Company has two employees that are dedicated to work on GAP, and they are located in Minnesota. Additionally, call center agents are trained to respond to inquiries about GAP and promote the program. The Company’s customers are served by two call centers that function at certain times as a unified call center. The two call centers that are part of the unified call center are in Houston, Texas, and in Minneapolis, Minnesota. The Houston call center (known as the Southern contact center) primarily handles calls from customers served by CenterPoint Energy’s utilities located in the southern United States, while the Minnesota call center primarily handles calls from CenterPoint Energy Minnesota Gas’ customers.

Generally, agents at each call center site begin their new hire training with their own regional training, meaning Minnesota-based agents initially get trained on all Minnesota Gas call types while Houston-based agents begin by learning call types associated with the southern jurisdictions. A career progression strategy has been established to allow agents to increase their level of knowledge and move towards becoming cross-trained to handle all call types. Agents that can handle all types of calls are sometimes referred to as universal agents and they are located in both Minnesota and Houston. As noted above, agents located in Minnesota primarily handle calls from Minnesota customers. In certain circumstances, however, the Minnesota contact center can be made available to answer southern gas and southern electric calls.

Please see Section 22 for discussion related to collaboration with low-income organizations and Minnesota Community Action Partnership (“CAP”) agencies.

CenterPoint Energy’s GAP is available to residential customers who receive Low Income Home Energy Assistance Program (“LIHEAP”) assistance during the federal fiscal year, agree to be placed on a levelized payment plan, and qualify for an affordability and/or arrearage forgiveness credit under the terms of the Program.² Historically, customers are removed from the Program if they fail to pay two consecutive monthly payments in full. To help maintain participation levels, after one missed payment, CenterPoint

² CenterPoint Energy GAP tariff, Section V, p. 25.

Energy contacts GAP participants as a reminder of the payment requirements for the Program.³

The following schedules are attached to this filing:

- Schedule A provides a summary of the GAP Annual Compliance Report information as requested by the Commission's September 24, 2013, Order in Docket G-008/GR-05-1380;
- Schedule B shows the impact of the Program on bad debt expense;
- Schedule C is a summary table of additional reporting requirements established by Orders issued from 2011 through 2024.
- Schedule D provides the streamlined GAP reporting summary ordered by the Commission on September 28, 2018.⁴
- Schedule E shows 2025 GAP tracker actual/forecast activity and balances.
- Schedule F shows 2026 GAP tracker forecast activity and balances.

2. Total Affordability Credit

The total affordability credits applied to GAP participant accounts during 2024 was \$5,738,467.

3. Total Arrearage Forgiveness Credit

The total arrearage forgiveness credits applied to GAP participant accounts during the 2024 Program year was \$1,113,868.

4. Total Program Administration Cost

The total administrative expenses incurred in 2024 were \$225,715, approximately 3.2% of total Program costs. Because the total administrative expenses were less than the 5% cap (see Section V, Page 25.a, Section 4.1, of the GAP tariff), an adjustment was not made to the tracker account to reflect administrative expenses.

5. Total Start-up Costs

No start-up costs were incurred in 2024. The Company is continuing to design the system changes to minimize the manual processes of autoenrollment of customers, and to adjust the program dates into the system, these related charges will be tracked and addressed in the corresponding compliance filing.

6. Incremental LIHEAP

As described in the response to Commission Information Request No. 21 in Docket G008/GR-05-1380, the incremental LIHEAP is calculated both in total and on an average participant basis as shown below. Please note that because the LIHEAP year and the GAP year do not correspond exactly, a customer that received LIHEAP in one LIHEAP year may

³ Docket No. G-008/M-05-1380. Order Accepting Gas Affordability Program Reports and Requiring Further Action, p. 4 (December 29, 2011).

⁴ Docket No. G-008/M-16-486. Order Accepting Report and Adopting Streamlined Process, p. 2 (September 28, 2018).

qualify for participation in a different GAP year (i.e., a customer may have received LIHEAP in October 2023 and qualified for both the 2023 and 2024 GAP years).

Table 1. GAP Participant LIHEAP

	GAP Year	2019	2020	2021	2022	2023	2024^{5, 6}
1	GAP participants who received LIHEAP (October prior year through September current year)	8,237	5,696	6,252	5,431	5,302	10,503
2	LIHEAP received by GAP participants	\$3,217,831	\$2,032,067	\$2,423,777	\$ 3,522,007	\$1,937,816	\$3,730,199
3	Average amount (line 2 divided by line 1)	\$391	\$357	\$388	\$649	\$365	\$355
4	GAP participants who received LIHEAP (October current year through September subsequent year)	5,828	6,055	5,092	4,641	5,485	9,987
5	LIHEAP received by GAP participants	\$2,082,198	\$2,358,885	\$3,432,064	\$1,696,617	\$1,989,688	\$3,664,460
6	Average amount (line 5 divided by line 4)	\$357	\$390	\$674	\$366	\$363	\$367
7	Total incremental LIHEAP (line 5 minus line 2)	-1,135,633	\$326,818	\$1,008,287	-\$1,825,389	\$51,872	-\$65,739
8	Average incremental LIHEAP (line 6 minus line 3)	-\$33	\$33	\$286	-\$283	-\$3	\$12

⁵ Because the 2024-2025 LIHEAP year is not finished, the information on Year 2024 GAP participants is incomplete and will be updated in the 2025 annual report on line items 4, 5, 6 and corresponding formulas in lines 6 and 7. The 2023-2024 LIHEAP year has finished, the information on Year 2023 GAP participants is now complete and has been updated in the 2024 annual report.

⁶ Note that the 2024 GAP year has 14 months of Data compared to other years.

7. Bad Debt Expense and Adjusted Bad Debt Factor

A. Bad Debt Factor

Similar to previous annual compliance reports, information is presented below that considers the effects of the Program on the bad debt factor. As described in the response to Commission Information Request No. 24 in Docket G008/GR-05-1380, the adjusted bad debt factor (the bad debt factor is determined by dividing bad debt expense by firm revenue) considers the effects of the arrears forgiveness credits from the Program on bad debt by calculating the bad debt expense and what the resulting bad debt factor would have been, without the arrears forgiveness credits and arrears payments from participants, everything else being equal. Please keep in mind that the write-off percentage used in line 8 is based on all CenterPoint Energy customers.

Table 2. Bad Debt Factor

1.	Actual 2024 Bad Debt Expense:	\$7,647,699
2.	Firm Revenue:	\$1,579,701,059
3.	Bad Debt Factor (line 1 divided by line 2):	0.5%
4.	Impact of the Program	
5.	Total Payments towards Arrears Rec'd from participants:	\$153,866
6.	Total Arrearage Forgiveness Credits Applied:	<u>\$1,113,868</u>
7.	Total payments applied to arrears (line 5 + line 6):	\$1,267,734
8.	Percentage of Pre-Program Arrears that would have been written-off (from Section 8, below):	4.0%
9.	Impact of Arrearage Forgiveness Component on write-offs (line 7 multiplied by line 8):	\$50,302
10.	Impact of Program on Bad Debts	
11.	Bad Debt Expense without Arrearage Forgiveness Component (line 1 plus line 9):	\$7,698,000
12.	Adjusted Bad Debt Factor (line 11 divided by line 2):	0.5%

B. Bad Debt Expense

In addition to the impact on the bad debt factor presented above, the May 31, 2013, GAP Evaluation and the June 1, 2016, GAP Evaluation examined the impact of the Program on bad debt expense by the reduction in the accounts receivable balance for GAP participants. This reduction was attributed to the GAP credits themselves and to an apparent improvement in the payment behavior of GAP participants. The impact on bad debt expense of the Program is summarized in Table 3 below and shown in Schedule B.

Table 3. Bad Debt Expense

1. Difference in total request amount paid	\$791,968
2. Incremental LIHEAP, estimate ⁷	(\$390,267)
3. Total GAP credits	<u>\$6,852,335</u>
4. Change in customer payments, LIHEAP and GAP credits	\$7,254,036
5. Change in A/R balance	(\$7,254,036)
6. Change in Bad Debt Expense ⁸	(\$431,550)

8. Arrearage to Write-Off Study

As described in CenterPoint Energy's June 6, 2006, Reply Comments in Docket G-008/GR-05-1380, a study was conducted to look at the relationship of write-offs to arrears. The information below is based on the 14 months ending February 2025 for *all* CenterPoint Energy customers and not just customers that are eligible or that participate in GAP. It is not known how the GAP eligible or GAP participants' ratio of write-off to arrearage (or final bill) compares to non-GAP eligible or non-GAP participant customers.

A. Write-Off/Arrears Percentage

The following table shows the write-off to arrears percentage by comparing the write-offs to arrears using a three-month lag. For example, the September arrears are compared to the December write-offs to show that the amount that was written off in December 2024 was 8.7% of the amount of September arrears. In 2023, the amount written off in December 2023 was 6.6% of September arrears.

Table 4. Ratio of Write-Offs to Arrears

2024	Write-Off/Arrears Percentage
January	4.2%
February	5.5%
March	10.0%
April	2.6%
May	3.7%
June	3.3%
July	4.4%
August	7.0%
September	9.2%
October	5.5%
November	9.0%
December	8.7%
January 2025	4.6%

⁷ Average of total incremental LIHEAP 2017-2022 from Section 6.

⁸ Calculated using the Write-Off/Arrears percentage from Section 8.

February 2025	-21.1%
14 Month Average	5.9%

B. Write-Off/Final Bill Percentage

The following table shows the write-off to final bills percentage by comparing the write-offs to final bills using a three-month lag. For example, the September final bills are compared to the December write-offs to show that the amount that was written off in December 2024 was 13.7% of the amount of September final bills. In 2023 the amount written off in December 2023 was 13.8% of September final bills.

Table 5. Ratio of Write-Offs to Final Bills

2024	Write-Off/Final Bill Percentage
January	12.5%
February	11.4%
March	15.7%
April	10.3%
May	14.8%
June	15.6%
July	20.0%
August	23.0%
September	27.0%
October	17.0%
November	14.1%
December	13.7%
January 2025	11.1%
February 2025	14.6%
14 Month Average	16.3%

9. Customer Payment History and Frequency Study

In accordance with the Commission's May 22, 2017, Order in Docket G-008/16-486, the following table shows the payment frequency and history of GAP participants in 2024, compared to the payment frequency and history of LIHEAP non-GAP customers in 2024 (pre-Program baseline method) and the payment frequency and history of 2024 GAP participants prior to their enrollment in the Program (non-GAP LIHEAP method). Finally, we have also included this payment information for non-LIHEAP residential customers. A summary of this information is also provided in Schedule D.

Table 6. Customer Payment History and Frequency

	2024 GAP Participants		2024 LIHEAP non-GAP Participants		2024 GAP Participants: 12 Months Prior		2024 non-LIHEAP Residential Customers⁹	
	<i>Amount</i>	<i>Count</i>	<i>Amount</i>	<i>Count</i>	<i>Amount</i>	<i>Count</i>	<i>Amount</i>	<i>Count</i>
Total Req	\$3,846,729	105,647	\$20,170,303	253,737	\$17,825,867	158,864	\$757,830,177	10,214,549
Full Pymt Made	\$532,616	11,752 (11%)	\$ 2,352,234	38,592 (15%)	\$ 1,524,367	21,820 (14%)	\$ 460,305,406	6,284,181 (62%)
Partial Pymt Made	\$ 612,351	11,752 (11%)	\$ 1,798,343	24,193 (10%)	\$ 1,407,458	17,324 (11%)	\$156,475,149	1,949,358 (19%)
On Acct Pymts	\$ 81,718	2,978 (3%)	\$ 121,955	2,768 (1%)	\$38,764	1,251 (1%)	1,905,411	21,520 (0.02%)
Total Pymts	\$ 1,226,685 (32%)	26,482 (25%)	\$ 4,272,532 (21%)	65,553 (26%)	\$2,970,589 (17%)	40,395 (25%)	\$ 618,685,966 (82%)	8,255,059 (81%)
No Pymt Made	\$0	79,165 (75%)	\$0	188,184 (74%)	\$0	118,469 (75%)	\$0	1,959,490 (19%)

10. Average Cost to Disconnect and Reconnect

As described in the Company's June 6, 2006, Reply Comments in Docket G-008/GR-05-1380, information on the average cost to disconnect and reconnect an individual meter is provided.

- A. For a locked meter, based on historical activity, the average cost to disconnect and reconnect a meter was approximately \$63.60. Please note that this is an average and does not include the cost of a protective agent that may have been used.
- B. For a meter that is "plugged," based on historical activity, the average cost was approximately \$108.67. Please note that this is an average and does not include the cost of a protective agent that may have been used.

⁹ System programming limits the data set for 2024 Non-LIHEAP residential customers to 12 months. This information is March 1, 2024 through February 28, 2025.

- C. For a meter that is shut off by using a valve lock at the curb, the average cost was approximately \$579.35. This is calculated based on average internal and external costs to disconnect and reconnect.
- D. In 2024, there were no disconnections and no reconnections performed by hand digging. Therefore, it is not possible to calculate an average cost to disconnect and reconnect a meter that is shut off by “hand digging” in the yard.
- E. For a meter that is shut off by digging at a boulevard or curb, the average cost would be approximately \$1,592.39. This is calculated based on average internal and external costs to disconnect and reconnect.
- F. For a meter that is shut off by digging in the street, the average cost was approximately \$2,837.68. This is calculated based on average external costs to disconnect and reconnect.

11. Average Payment Amount

During the 2024 GAP year, there were 17,632 participants (including the customers who participated during the year but dropped out of the Program before the end of the year). Additionally, not all customers were requested to make an affordability component payment (those that had zero income) and/or an arrearage component payment (those that did not have pre-Program arrears). The table below presents average payment amount information on the groups of customers described above.

Table 7. Average Payment Amounts

		Customers	Avg Monthly Affordability Pymt	Avg Monthly Arrearage Pymt	Total Pymt
1	All customers on GAP	17,632	\$34.80	\$4.51	\$ 39.31
2	Customers on GAP asked to make payment	16,675	\$36.79	\$4.77	N/A ¹⁰

The November 18, 2009, Order in Docket G-008/GR-05-1380 required that all gas utilities report (starting with the annual report filed in 2010) the average annual and monthly bill credit amount in the utility’s annual GAP reports. In addition, a comparison of these amounts to the average GAP participant’s annual and average monthly bill and arrearage amount was also required. That information is shown below for the 17,632 customers who participated in GAP in 2024.

¹⁰ A total is not presented for the subset of customers requested to make a payment since not all customers were requested to make both an affordability component payment (those that had zero income) and/or an arrearage component payment (those that did not have pre-Program arrears).

Table 8. Average Affordability and Arrearage Credits

	Monthly	Annual
Average Affordability Credit ¹¹	\$46.72	\$560.67
Average Arrearage Credit ¹²	\$17.40	\$208.77
Average Affordability Component bill ¹³	\$34.80	\$417.56
Average Arrearage Component bill ¹⁴	\$4.51	\$54.12
Average Pre-Program Arrears ¹⁵	\$603.22	

12. Arrearage Level

As described in the June 6, 2006, Reply Comments in Docket G-008/GR-05-1380, information on the average pre-Program arrearage amount of Program participants is provided. Information on pre-Program arrears for the customers that participated at the end of the year as well as customers that participated during the year, but dropped, is shown in the table below.

Table 9. Arrearage Levels

Customer Group	Customers	Total Pre-Program Arrears	Average Pre-Program Arrears
All customers on GAP	17,632	\$3,756,246	\$213
All customers on GAP that had Pre-Program Arrears	6227	\$ 3,756,246	603

The November 18, 2009, Order in Docket G-008/GR-05-1380 required that all gas utilities report (starting with the annual report filed in 2010) the change in arrearage level for the average GAP customer compared to the LIHEAP customers that are not enrolled in the GAP and the average level of arrearage for all of the utility's residential customers that had arrears.

11 The average monthly affordability credit is calculated by taking the total of the monthly affordability credits for the customers on the Program during 2024 and dividing by the total number of GAP participants during the year. This is the same type of average as in line 1 (Table 7), above. The annual average is the monthly number times 12 months.

12 The average monthly arrearage credit is calculated by taking the total of the monthly arrearage credits for the customers on the Program during 2024 and dividing by the total number of GAP participants during the year. This is the same type of average as in line 1 (Table 7), above. The annual average is the monthly number times 12 months.

13 The average monthly affordability component bill amount is from line 1 (Table 7), above. The annual average is the monthly number times 12 months.

14 The average monthly arrearage component bill amount is from line 1 (Table 7), above. The annual average is the monthly number times 12 months.

15 This is the average pre-Program arrears for the 6,227 GAP participants who were on the GAP during the year and had a pre-Program arrearage amount.

Table 10. Change in Arrears

Customer Group	Jan. 2024	Feb. 2025	\$ Change	% Change
GAP ¹⁶	\$129	\$93	-\$36	-28%
LIHEAP non-GAP	\$149	\$220	\$71	48%
Residential	\$140	\$186	\$45	32%

As required by the Order dated May 22, 2017, in Docket G-008/M-16-486, the Company is also providing average arrears balances using the pre-Program-baseline approach as described in the Department's Comments of December 13, 2016.¹⁷

Table 11. Average Arrears Balances

Average Arrearage Level	January 2024	February 2025
GAP Participants ¹⁸	\$67	\$40
LIHEAP Customers Not Enrolled in GAP ¹⁹	\$203	\$313
All Residential Customers ²⁰	\$190	\$357

13. Number of Customers in Arrears

In the Company's June 6, 2007, Reply Comments in Docket G-008/GR-05-1380, it committed to provide information on the total number of customers in arrears at the start of the Program. As reported in the monthly Cold Weather Rule Report, there were 80,807 residential customer accounts past due at the end of December 2023, which is the approximate start of the 2024 Program year. Of the 17,632 customers that participated in the Program during the 2024 Program year, 6,227 started their 2024 GAP participation with a pre-Program arrears balance.

14. Service Disconnections

The November 18, 2009, Order in Docket G-008/GR-05-1380 required that all gas utilities report (starting with the annual report filed in 2010) the percentage of GAP customers disconnected compared to the percentage of all firm customers disconnected. In addition, the Commission required utilities to report a comparison of the percentage of GAP customers disconnected to the percentage of disconnected LIHEAP customers that do not participate in GAP. Table 12 provides the comparison disconnections based on the percent of population in each of the Customer Groups for 14 months. Even though Table

16 The average arrears amount shown for GAP participants in table 10 is for the GAP participants that had arrears during January of 2024 and those that had arrears during February of 2025. It should be noted that, due to changes in the customers that participate (due to de-activations and new enrollments during the year), not all of the customers enrolled in January are the same customers enrolled in February.

17 See Docket No. G-008/M-16-486; CenterPoint Energy's Evaluation of its Gas Affordability Program.

18 The average arrearage level for GAP Participants is the active GAP participants (with arrears) at January 2024 who remained an active GAP participant in January 2024 and February 2025.

19 The average arrearage level for LIHEAP Customers Not Enrolled in GAP are the LIHEAP customers not enrolled in GAP (with arrears) at January 2024, who remained a LIHEAP customer in the remaining period of February 2025.

20 The average arrearage level for All Residential Customers is all residential customers (with arrears) at January 2024, who remained a residential customer in February 2025.

12 shows a higher percent disconnected in LIHEAP Non-GAP, and GAP customers, the total number of customers disconnected were lower as shown in Table 13. Auto enrollment to GAP has decreased the number of LIHEAP Non-GAP customers, however autoenrollment started in January of 2024, customers who received LIHEAP in late 2023 for the 2023-2024 LIHEAP season may not have been auto enrolled into the 2024 GAP program year. As reported in the monthly reports filed pursuant to Minnesota Statute § 216B.091 in Docket E,G999/PR-24-02, there were 28,136 residential accounts disconnected for non-payment during the 2024 calendar year.

Table 12. Customer Disconnection Rates

Customer Group	% Disconnected
GAP Customers ²¹	11.7%
LIHEAP Non-GAP ²²	9.9%
Total Firm Customers ²³	3.3%

As described in the Order dated May 22, 2017, the Company provides in Table 13 the disconnection rates using the pre-Program-baseline approach as described in the Department's Comments of December 13, 2016,²⁴ (tracks "disconnections for individual customers or a cohort of customers and then reporting pre- and post- Program disconnection rates").

Table 13. Disconnection Rates (Pre-Program Baseline)

2024 Customers:	Total Disconnections	Percent of Total Customer Group
GAP	2,055	11.65%
Before GAP	1,397	7.92%
After GAP	658	3.73%
LIHEAP (no GAP)	1,084	9.88%
Before LIHEAP	869	7.92%
After LIHEAP	215	1.96%

15. Retention Rate – Renewal

The table below shows the Program year participation information for the customers that were enrolled at the end of the previous year.

²¹ The percent of GAP customers disconnected is the number of customers that had been on GAP during the 2024 program year before subsequently being removed (or deactivated) from the Program and then disconnected, divided by the total number of customers that were enrolled during the year.

²² The percent of LIHEAP non-GAP customers disconnected is the number of customers that received LIHEAP (and did not participate in GAP) during 2024 and were disconnected after receiving LIHEAP in 2024, divided by the number of customers that received LIHEAP (and did not participate in GAP) in 2024. It should be noted that the LIHEAP year is not a calendar year so that if a customer received LIHEAP in early 2023 as part of the end of the 2023–24 LIHEAP year, they would be included in this group—along with customers receiving LIHEAP in late 2024 as part of the 2023–24 LIHEAP year.

²³ The percent of total firm customers disconnected is the number of involuntary disconnections of residential customers as reported in the 2024 monthly reports submitted pursuant to Minnesota Statutes §§ 216B.091 and 216B.096, subd. 11, plus the number of firm commercial/industrial accounts disconnected divided by the average number of firm customers in 2024.

²⁴ See Docket No. G-008/M-16-486; CenterPoint Energy's Evaluation of its Gas Affordability Program.

Table 14. GAP Customer Retention – Renewal

Description	2023 Count	2023 %	2024 Count	2024 %
Renewed within 30 days	2,691	41.7%	3,341	53%
Enrolled in 31–60 days	568	8.8%	1,465	23%
Enrolled in 61–90 days	138	2.1%	6	0%
Enrolled in 91–150 days	324	5.0%	245	4%
Enrolled in 151 days	395	6.1%	248	4%
Application Rejected: no LIHEAP, incomplete GAP application, etc.	80	1.2%	88	1%
Did not apply, other	2,262	35.0%	941	15%
Total	6,458	100%	6,334	100%

The retention rate for the 2025 GAP year is not available because some customers enrolled at the end of the 2024 year have not yet renewed. This information will be provided in the next annual compliance report due June 30, 2025, after the 2025 year is complete, February 28, 2025.

16. Retention Rate – Attrition

Table 15 shows the number of GAP participants in the Program at the end of each Program year participants deactivated from GAP, and participants not accepted into the Program.

Table 15. GAP Customer Retention – Attrition

GAP year	2018	2019	2020	2021	2022	2023	2024
GAP participants at year-end	8,616	7,935	8,442	7,792	6,425	6,323	11,896
Total deactivated and percent of final participation	2,036 24%	2,949 37%	712 8%	573 7%	982 15%	1,648 26%	2,873 24%
Deactivated due to delinquency	1,368 16%	2,091 26%	30 0.4%	0 0%	471 7%	1,303 21%	2,200 18%
Deactivated due to customer request	29 0.3%	37 0.5%	25 0.3%	26 0.3%	10 0.2%	9 0.1%	68 0.6%
Deactivated due to customer move	639 7%	821 10%	657 7.8%	547 7%	501 8%	336 5%	605 5%

GAP year	2018	2019	2020	2021	2022	2023	2024
Applied but not accepted due to no benefit ²⁵	1,658	1,970	2,641	1,221	197	61	823

17. Participation/Incremental LIHEAP

As described in CenterPoint Energy's June 6, 2006, Reply Comments in Docket G-008/GR-05-1380, information on the number of new participants that did not previously receive LIHEAP is provided.

Table 16. Number of New Participants Not Previously Receiving LIHEAP

GAP year	2018	2019	2020	2021	2022	2023	2024
GAP participants at year-end	8,616	7,935	8,547	7,381	7,374	6,458	11,885
Approximate % who did not receive LIHEAP in current GAP year	21%	18%	18%	17%	16%	15%	27.3%

18. Customer Complaints

There were six GAP related customer complaints or inquiries reported to the Commission during the 2023 GAP year.

Consumer Affairs Office ("CAO") had an account inquiry on a customer whom questioned LIHEAP receipt. The Company confirmed enrollment into the GAP program following receipt of LIHEAP.

CAO inquiry as to why a customer was not auto enrolled on GAP. CenterPoint found that the customer had an existing payment arrangement, with agreement from the customer. The customer was removed from the existing payment arrangement and manually enrolled into GAP.

CAO inquiry as to why customer was not enrolled in GAP. The customer had a pending application for LIHEAP with Hennepin County and was not qualified at the time of the inquiry.

Enrollment of disconnected customer into GAP with reconnection of service.

²⁵ Based on their income and usage, there was no affordability or arrearage credit for these customers.

CAO requested CenterPoint Energy review a customer account and enroll customer on GAP if possible. Customer outreach was done, and GAP was explained to the customer and the customer confirmed enrollment.

Customer received bill message warning of GAP de-enrollment due to missed payment. The customer account was reviewed, finding the customer was actively on GAP. The customer subsequently missed payments and is no longer active on GAP.

19. Program Cost per Customer

As described in the Company's June 6, 2006, Reply Comments in Docket G-008/GR-05-1380, the Company provides a measurement of the total Program costs divided by the total number of Program participants. Please note that for the purpose of this calculation, the number of participants during 2024 is used, although not all customers participated for the same number of months.

Table 17. Program Cost Per Participant

1. Affordability Credits:	\$5,738,467
2. Arrearage Forgiveness Credits:	\$1,113,868
3. <u>Administrative Cost:</u>	\$225,715
4. Total Program Costs (lines 1–3):	\$7,078,050
5. Program Participants:	17,632
6. Program Cost per participant (line 4 divided by line 5):	\$401.43

20. Payment Coverage

As described in the Company's June 6, 2006, Reply Comments in Docket G-008/GR-05-1380, 'payment coverage' is calculated as the total annual customer payments divided by the total annual amount billed. As such, it does not include any LIHEAP amounts received on behalf of the customer or any GAP credits applied to the accounts.

Table 18. Payment Coverage

1. Total Affordability Customer Payments Rec'd	\$1,307,795
2. <u>Total Arrears Customer Payments Rec'd</u>	<u>\$150,471</u>
3. Total Customer Payments (line 1 plus line 2)	\$1,458,266
4. Total Affordability Requested	\$8,186,248
5. <u>Total Arrears Requested</u>	<u>\$369,851</u>
6. Total amount billed (line 4 plus line 5)	\$8,556,099
7. Payment coverage (line 3 divided by line 6)	17%

21. Arrears Reduction Rate

As described in the Company's June 6, 2006, Reply Comments in Docket G-008/GR-05-1380, the 'arrears reduction rate' is calculated as the total LIHEAP and arrears forgiveness payments divided by the total outstanding balance at the start of the Program year. It should be noted that for the GAP participants that did not have pre- Program arrears, any

LIHEAP payments received were applied to their current (affordability component) bills so the arrears reduction calculation below is overstated at greater than one.

Table 19. Arrears Reduction Rate

1. Total LIHEAP Received (2023 Participants 1/23–12/23)	\$3,927,504
2. Arrears Forgiveness Customer Payments Rec'd	\$150,471
3. <u>Arrears Forgiveness Credits Applied</u>	<u>\$1,113,868</u>
4. Total Reduction to Arrears (Line 1 plus Line 2 plus Line 3)	\$5,191,843
5. Total Pre-Program Arrears Balance at Start of Program	\$3,756,246
6. Arrears Reduction Rate (line 4 divided by line 5)	1.38

22. Coordination with Other Resources

Throughout the year, the Company engages in outreach efforts designed to promote GAP, LIHEAP, and Energy Conservation and Optimization (“ECO”) program participation, often in partnership with low-income organizations and agencies. This section summarizes efforts undertaken by the Company to coordinate the GAP with other low-income and energy conservation resources, in accordance with the Commission’s November 18, 2009,²⁶ and November 22, 2010²⁷ Orders. The summary begins with a description of internal cross-promotion activities between GAP, LIHEAP and ECO. This is followed by a list of ECO conservation measures available to low-income customers. Finally, a list of major outreach efforts conducted with outside agencies to promote GAP, LIHEAP and ECO are presented. The Company notes that it has been providing quarterly reports on GAP outreach efforts in Docket No. G-008/M-19-367 in compliance with Commission Orders in Docket Nos. G-008/M-20-399 and G-008/M-19-367.

Internal Cross-Promotional Efforts between ECO, LIHEAP, and GAP

CenterPoint Energy coordinates and cross-promotes its GAP, LIHEAP, and ECO programs. All low-income and residential conservation measures are available to GAP customers. Participation in ECO by low-income customers is tracked and reported in the annual ECO status report.

Summary of major cross-promotional GAP, LIHEAP and ECO efforts:

- Between January 2024 and December 2024,
 - In January 2024, when sub-zero temperatures were forecasted and demand for natural gas was rising, CenterPoint Energy distributed two news releases to media outlets in Minnesota, which provided low- and no-cost easy to implement

26 Docket No. G-008/GR-05-1380. Order Accepting Compliance Filings Regarding Gas Affordability Programs and Requiring Further Action, Nov. 18, 2009 (requiring that future reports include how each utility has coordinated its GAP with other available low income and conservation resources, including the names of the agencies, the content of the communication, and the accomplishments resulting from the coordination).

27 Docket No. G-008/GR-05-1380. Order Evaluating Gas Affordability Program, Extending and Modifying Pilot Program, Authorizing Cost Recovery, and Requiring Future Reporting, Nov. 22, 2010 (“CenterPoint shall, in future reporting, report the potential no-, low-, and mid-cost conservation measures that could be implemented in the households of GAP participants, along with CenterPoint’s plans to encourage GAP participants to increase their use of these measures.”).

energy-saving and safety tips to customers. Additionally, the press releases promoted bill assistance programs for income-qualified customers, including LIHEAP and GAP. This information was also shared with the Company's regulators and staff from local government units, who were asked to forward the information to their constituents and other interested parties.

- In January 2024 and throughout the winter heating season, CenterPoint Energy used its social media channels (e.g., Facebook, Twitter, Nextdoor) to provide energy-savings tips, safety information, and information regarding payment assistance for income-qualified customers. The information provided on social media included several posts that highlighted strategies customers could take that would help them conserve energy, save money, and find out more information on payment assistance programs like LIHEAP and GAP.
- In January 2024 and February 2024, the Company mailed letters to 2023 GAP participants reminding them to sign-up for LIHEAP in the current heating season in order to continue to be eligible for GAP.
- In March 2024, the Company sent a direct mail to 17,734 LIHEAP customers reminding them that they qualified for the Weatherization Assistance Program ("WAP").²⁸ The direct mail explained WAP's no-cost benefits, which included a home energy audit, exterior wall and attic insulation, air leakage reduction, and heating and water heating system replacement. In May 2024, CenterPoint Energy sent a second direct mail to 17,737 LIHEAP customers to continue promoting WAP. The direct mail acknowledged that the heating season had ended but still encouraged customers to participate in WAP before the next heating season to save energy and money.
- In April 2024, CenterPoint Energy issued a news release to Minnesota media outlets about the end of Cold Weather Rule protections for the season. The news release included information on LIHEAP, payment plan opportunities (e.g., GAP), and ECO programs to help customers reduce energy use and manage natural gas bills throughout the year.
- In May 2024, the Company emailed 2,855 customers who had enrolled in LIHEAP from October 1, 2023, to December 31, 2023, to promote GAP.²⁹ The email explained GAP's benefits and provided a link to CenterPoint Energy's online GAP application.
- In September 2024, CenterPoint Energy conducted a direct mail marketing campaign for its Low-Income Weatherization ("LIW") ECO program to 22,218 LIHEAP customers who had not already participated in LIW in 2024. The targeted customers were encouraged to sign-up for the LIW program prior to the end of the 2023/2024 LIHEAP program year.
- In October 2024, the Company issued a news release encouraging eligible customers to sign up for LIHEAP and GAP during the winter months as Cold

²⁸ CenterPoint Energy's Low-Income Weatherization ECO program supplements federal WAP funding to provide major weatherization services to low-income households. Participation in LIHEAP is a pre-qualifier for the LIW program.

²⁹ Customers who signed-up for LIHEAP on or after January 1, 2024, have been automatically enrolled in GAP.

Weather Rule protections went into effect in addition to signing up for payment plans if they were facing financial hardship.

- In November 2024, the Company issued a Daylight Saving Time news release encouraging customers to perform home safety checks and promoting programs, tips, and tools to help customers manage their bills (e.g., LIHEAP and GAP) and save energy.
- In November 2024, the Company issued a news release ahead of Thanksgiving sharing safety and energy-saving tips and bill management methods like LIHEAP and GAP.
- In November 2024, the Company issued a news release on its Minnesota rate case, which included a paragraph on programs, tips, and tools to help customers manage their bills (e.g., LIHEAP and GAP) and save energy.
- In November 2024, the Company issued a news release days before forecasted single-digit temperatures, sharing safety reminders, energy saving tips, and information regarding bill management methods like LIHEAP and GAP.
- In November 2024, the company sent a direct mail to 8,659 LIHEAP customers reminding them that they qualified for WAP. The direct mail explained WAP's no-cost benefits, which included a home energy audit, exterior wall and attic insulation, air leakage reduction, and heating and water heating system replacement.
- In December 2024, the Company issued a news release encouraging customers to leverage LIHEAP, GAP, and ECO programs to help manage winter heating bills.
- In 2024, CenterPoint Energy's Home Energy Reports ECO program sent low-income reports to 11,904 customers enrolled in LIHEAP. All low-income report recipients receive specialized services, including no-cost and low-cost energy savings tips, additional direct mail reports, promotions for other CenterPoint Energy low-income ECO programs, and tailored messaging that emphasizes the health and economic benefits of energy efficiency measures.

No Cost Energy Efficiency Measures Available to GAP Participants

The following measures are available at no cost to low-income customers through CenterPoint Energy's LIW ECO Program:

- Weatherization (including wall and attic insulation);
- Furnace or boiler repair/replacement/tune-up;
- Ducted air source heat pump;
- Water heater or tankless water heater replacement;
- Combination Units
- Programmable thermostats;
- Weather stripping and caulk;
- Window film;
- Outlet and switch plate gasket covers;
- High-efficiency showerhead and faucet aerators;

- Water heater temperature assessment and adjustment;
- Wool dryer balls;
- Water heater blankets;
- Pipe insulation;
- Attic and wall insulation inspection;
- Blower door test;
- Thermal image testing;
- Combustion safety test;
- Assess the equipment for potential Carbon monoxide leaks; and
- Pre-weatherization measures.

In addition, GAP participants can implement the following no-cost measures at their homes on their own:

- Lowering thermostat and/or programming a programmable unit;
- Changing furnace filters regularly;
- Lowering water heater setting;
- Opening and closing drapes according to season and time of day; and
- Maintaining open air flow around heating registers.

Cross-Promotion of LIHEAP and ECO in Coordination with Partnership Organizations

CenterPoint Energy maintains relationships with partnership organizations through continuous communication and has ongoing efforts to reach low-income customers by attending community events with the purpose to assist and educate low-income customers with options available to help pay their natural gas bills, including GAP.

CenterPoint Energy communicates throughout the year with partnering organizations. Some of the organizations with which the Company partners include:

- Community Action Partnership of Hennepin County – the federally-designated community action program for Hennepin County.
- Community Action Partnership of Scott, Carver, and Dakota Counties – the federally-designated community action program for Scott, Carver, and Dakota counties.
- Anoka County Community Action Program – the federally-designated community action program for Anoka County.
- Minnesota Valley Action Council – the federally-designated community action program for Region Nine in Southern Minnesota, encompassing Blue Earth, Brown, Le Sueur, Nicollet, Sibley, Waseca, Faribault, Martin, and Watonwan counties.
- Wright County Community Action – the federally-designated community action program for Wright County.
- Tri-County Action Program (Tri-CAP) – the federally-designated community action program for Benton, Sherburne, and Stearns counties in central Minnesota.
- United Community Action Partnership – the federally-designated community action program for Cottonwood, Jackson, Kandiyohi, Lincoln, Lyon, Meeker, McLeod, Renville,

and Redwood, plus services in the four additional counties of Murray, Nobles, Pipestone, and Rock.

- Lakes & Pines Community Action Council – the federally-designated community action program for the seven-county area of Aitkin, Carlton, Chisago, Isanti, Kanabec, Mille Lacs, and Pine.
- Tri-County Community Action Partnership – the federally-designated community action program for Todd, Morrison, and Crow Wing counties.
- West Central Minnesota Communities Action – the federally-designated community action program for Douglas, Grant, Pope, Stevens and Traverse counties in West Central Minnesota.
- Community Action Partnership of Ramsey & Washington Counties – the federally-designated community action program for Ramsey and Washington counties.
- Southwestern Minnesota Opportunity Council – the federally-designated community action program for Southwestern Minnesota, specifically the counties of Nobles, Rock, Murray, and Pipestone.
- Three Rivers Community Action – the federally-designated community action program for Southeastern Minnesota, including Goodhue, Olmsted, Rice, and Wabasha counties.
- Prairie Five Community Action Council – the federally-designated community action program for the counties of Big Stone, Swift, Lac qui Parle, Chippewa, and Yellow Medicine.
- Semcac – the federally-designated community action program for Dodge, Fillmore, Freeborn, Houston, Mower, Winona & Steele counties with limited services in Olmsted, Goodhue, Rice, Wabasha, and Waseca.

23. Outreach, Participation, and Usage

As Ordered in the Commission Order filed on November 5, 2020, in Docket G-008/M-20-399, the Commission Ordered the Company to provide the costs associated with additional outreach for LIHEAP and GAP, the monthly number of LIHEAP and GAP customers compared to the same months in the previous three years, and the average annual and low to high range of LIHEAP and GAP customer natural gas usage levels.

As reported in the quarterly Compliance filings of Docket 19-367 the 2024 costs of automatic dialer calls and emails have low costs to the business as the technology is already in place. Incremental costs as reported in the 2024 quarterly Compliance filings of Docket 19-367 associated with additional outreach efforts include:

- 1,987 manual outreach phone calls were made to customers to promote LIHEAP.
- 392 manual outreach calls promoting GAP to customers who received LIHEAP and have another low-income payment plan
- 1,010 manual outreach calls were made to customers to promote crisis funding
- 12,872 letters were mailed to active GAP participants encouraging them to apply for LIHEAP. (\$2,200 \$2,309.75 \$3,274 \$4,016.81)

- 696,785 emails were sent to customers, some customers received multiple emails throughout the year
 - 2,855 emails were to promoting GAP to LIHEAP recipients
 - 693,930 emails were promoting LIHEAP to customers

With the autoenrollment of LIHEAP recipients to GAP starting January 1, 2024, the promotional effort of GAP is focused on those LIHEAP recipients who have opted out of GAP. January 1, 2024, through February 2025 there are 99 customers who have opted out of GAP.

The monthly 2018 through May 2025 LIHEAP customer counts are identified in Table 20, while the GAP information is included in Table 21. In Table 21, the January and February 2024 numbers are higher than previous years of the same month. Generally, in January at the start of the new GAP year, the Company would de-enroll customers who had not received LIHEAP for the new season to remain on the GAP program year. Due to the changes to the GAP program from calendar year January 1 through December 31 to March 1 through February 28, starting in 2024, the Company did not de-enroll customers in January and February that did not receive LIHEAP.

Table 20. LIHEAP Customers

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
2025	2906	2449	2411	1842	1568							
2024	3321	2903	2265	1956	1483	885	131	2	1	1	8659	3240
2023	2519	3007	3622	2355	2877	2134	1076	74	2	0	8622	3775
2022	2773	2577	2958	2512	2201	2221	1380	314	438	1	6273	2823
2021	2694	1958	1812	1713	935	851	861	1092	946	2662	2454	3102
2020	4247	2658	1586	934	763	800	1116	23	-	1	6425	3921
2019	3784	1797	1685	1712	1482	649	98	-	-	3	7780	3328
2018	2119	2616	2127	1658	1543	647	100	-	-	4	10115	3961

Table 21. GAP Customers

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
2025	10862	13225	15428	15681	17879							
2024	6453	6732	7580	8777	9714	10363	10015	9263	9057	8615	8610	9343
2023	3498	3823	4446	4948	5456	5959	6345	6724	6785	6637	6542	6408
2022	4052	4366	4907	5367	5669	5824	6186	6553	6601	6618	6607	6539
2021	4600	5376	6084	6711	7298	7695	7836	7983	8172	8254	8325	8336
2020	5733	6343	6983	7957	8842	9477	9901	8853	8888	8899	8888	8852
2019	6667	7434	8420	8672	9652	10233	9829	9813	9518	9113	8621	8583
2018	6150	6829	7846	8523	9325	9710	9436	9585	9482	9554	9604	9559

Natural gas annual average and usage range for LIHEAP customers is provided in Table 22, while GAP customer usage is provided in Table 23.

Table 22. LIHEAP Customer Usage (Therms)

	2018	2019	2020	2021	2022	2023	2024
Average	936.0	928.8	828.0	720.0	868.3	764.6	628.8
Low	0.0	0.0	0.0	1.2	0.0	1.0	0.0
High	9,186.0	9,126.0	8,570.4	8,472.0	5,214.0	5052.0	7,128

Table 23. GAP Customer Usage (Therms)

	2018	2019	2020	2021	2022	2023	2024
Average	1,068.0	1,068.0	943.2	896.4	1,022.3	915.0	785
Low	0.0	0.0	0.0	7.2	36.0	6.0	0.0
High	6,891.6	6,552.0	6,081.6	4,520.4	5,738.8	5122.0	4,758.0

24. GAP Surcharge Annual Adjustment

The Commission's August 19, 2019, Order in Docket G-008/M-19-255 authorized CenterPoint Energy to commence treating the GAP surcharge as a rate that may be adjusted annually based on forecasted GAP expenditures and rate case approved sales.

In Docket G-008/M-23-84 Order point 8 requires CenterPoint Energy to report on its surcharge and benefit levels and whether they need to be adjusted. This information is found in Schedule E.

In Docket G-008/M-23-84 Order point 14 requires CenterPoint Energy to monitor monthly spending from and income to the GAP program. The Company will use Schedule E as the monthly tracker to update from forecast to actual amounts monthly and will observe Order point 14 as required and if, and when the program is on track to deplete its tracker balance within 6 months, the Company will make the required filings.

The Company continues to monitor the GAP tracker on the levels of participants, and forecasted recovery. In Compliance with Order point 14 in docket G-008/M-23-84, the Company recognizes a negative tracker balance within 6 months, at different months within the forecast, however, would like continue to monitor the second year of auto-enrollment into GAP, the participation levels and forecasted tracker balances and make a filing in compliance with Order point 14 with modifications to the program or adjusted surcharge with a longer history on recovery and the impacts of autoenrollment to largely increased changes in participation levels. The Company would also like to include a review of suggested changes from the CAO noted below.

In September of 2023, the Commission approved CenterPoint Energy to increase its GAP cap to \$10,000,000, with a \$0.00764 per therm collection. The 14-month GAP year of 2024 starting on January 1, 2024, through February of 2025, started with an under recovery of \$2,431,127 from the 2023 GAP program year. Noting the number of GAP customers increasing in 2024 to 17,362 from 8,012 from 2023, although hopeful, the Company does not know if this level of participation will continue. The figures in Schedules E and F are calculated using the approved 2023 GAP applicable sales forecast from the 2023 rate case in G-008/GR-23-173. As shown in Schedule E, the 2025 forecasted year-end recovery shows an under recovery of \$914,814, and by February of 2026 the tracker forecasts an over recovery of \$1,091,586.

The Company has had discussions with the CAO regarding the GAP program process for customers who are removed from GAP for non-payment. The CAO suggested CenterPoint modify its program to allow customers to make up the missed payments to be placed back on GAP. Although the Company has not historically had this practice in place it is not opposed to this idea. The Company would like to take this idea into consideration when the program has more historical information available from the current changes of autoenrollment. The Company is concerned with changing this practice at a time of the highest participation in the program and being close to meeting the GAP spending cap. Additionally making this change will skew the measurement on effectiveness of customer payment frequency and retention rates. As we monitor the potential limitations of the existing program budget, adding customers back in who have fallen off for non-pay could negatively impact customers looking to join the program for the first time.

25. GAP Autoenrollment

As approved by the Commission's September 7, 2023, Order in Docket G-008/M-23-84, the Company started the process for automatic enrollment of LIHEAP customers into GAP in January 2024. This annual report is a 14-month review of GAP starting January 1, 2024, through February 28, 2025. Going forward the annual GAP reports will be a 12-month review of the new GAP year of March 1, 2024, through February 28, 2026, to be filed June 30, 2026.

26. Other Information

As required by the Commission's December 29, 2011, Order in Docket G-008/GR-05-1380, CenterPoint Energy's goal is to process 95% of all complete GAP applications within 30 days. With the implementation of autoenrollment of LIHEAP customers to GAP, the application process is not used as frequently. It is used in unique situations of income changes and if a customer received LIHEAP and all was applied to electric.

CenterPoint Energy is aware and will actively engage in discussions through a new generic docket to investigate low-income-assistance eligibility considering, among other impacts, recent changes to Minnesota law and potential changes to relating to funding or existence of federal assistance programs.

**Annual Compliance Submission of CenterPoint Energy
Minnesota Gas, a Division of CenterPoint Energy Resources
Corp, for its Gas Affordability Service Program**

Schedule A: Summary of Annual Compliance Report
See Separate Attached Excel Document

Docket No. G-008/M-25-38

June 30, 2025

**Annual Compliance Submission of CenterPoint Energy
Minnesota Gas, a Division of CenterPoint Energy Resources
Corp, for its Gas Affordability Service Program**

Schedule B: Bad Debt Expense

See Separate Attached Excel Document

Docket No. G-008/M-25-38

June 30, 2025

**Annual Compliance Submission of CenterPoint Energy
Minnesota Gas, a Division of CenterPoint Energy Resources
Corp, for its Gas Affordability Service Program**

Schedule C: Compliance Matrix

Docket No. G-008/M-25-38

June 30, 2025

Line			2024 CPE GAP Report
1	2011 Order Language ¹	3. Utilities shall implement an application processing goal of processing ninety-five percent of all complete gas affordability applications within thirty days of receipt by the utility ...	Section 24
2		6. Each utility shall require its third-party administrator to make GAP applications available electronically on the administrator's websites as a condition of being the third-party administrator for the program.	Section 24
3		7. Each utility shall call or mail reminders to its GAP customers after one missed payment to reduce the number of customers removed from the GAP due to missing two consecutive monthly payments.	Section 1
4		8. Each utility shall cross-promote its GAP with other bill payment and conservation assistance programs.	Section 22
5	2013 Order Language ²	1. The Commission will require the Companies to include a summary schedule that includes the average annual affordability benefit received per customer.	Schedule A
6		2. The Commission will require the Companies to include a summary schedule that includes the average annual arrearage forgiveness benefit received per customer.	Schedule A
7		3. The Commission will require the Companies to include a summary schedule that includes the percentage of Low Income Home Energy Assistance Program (LIHEAP) customers that participated in GAP.	Schedule A
8		4. The Commission will require the Companies to include a summary schedule that includes the disconnection rates for (a) GAP customers, (b) LIHEAP – Non GAP customers, and (c) non-LIHEAP customers (all firm customers including C&I).	Schedule A
9		5. The Commission will require the Companies to include a summary schedule that includes the number of GAP participants enrolled as of year-end.	Schedule A

¹ From Docket G-008/GR-05-1380, December 29, 2011, p.4.

² From Docket G-008/GR-05-1380, September 25, 2013, p.2.

Line			2024 CPE GAP Report
10		6. The Commission will require the Companies to include a summary schedule that includes the number of GAP participants enrolled and receiving benefits at some time during the year.	Schedule A
11		7. The Commission will require the Companies to include a summary schedule that includes the annual program budget.	Schedule A
12		8. The Commission will require the Companies to include a summary schedule that includes the actual program revenue.	Schedule A
13		9. The Commission will require the Companies to include a summary schedule that includes the actual program cost.	Schedule A
14		10. The Commission will require the Companies to include a summary schedule that includes the GAP tracker balance as of year-end.	Schedule A
15		11. The Commission will require the Companies to include a summary schedule that includes the GAP rate-affordability surcharge (\$/therm).	Schedule A
16	2015 Order Language ³	2. Each utility shall include in its next Annual Compliance Report an explanation of why it does not assess the GAP surcharge against Interruptible Sales and Transportation Customers, a proposal evaluating cost allocation methods for its GAP program, and the recalculated surcharge for various alternatives if Interruptible Sales and Transportation Customers were included.	
17	2017 Order Language ⁴	2. CenterPoint and Xcel shall continue to report customer payments, arrears balances and disconnection rates using both the non-GAP LIHEAP baseline method and pre-program baseline method beginning with their 2017 annual reports of the GAP.	<u>Customer Payments:</u> Section 9; <u>Arrears Balances:</u> Section 12; <u>Disconnection Rates:</u> Section 14

³ From Docket G-008/M-15-307, September 29, 2015, p. 3. This was a one-time reporting requirement and the information was provided in the Company's annual GAP Compliance filing in Docket No. G-008/M-16-266, Section 23.

⁴ From Docket G-008/M-16-486, May 22, 2017, p. 6. This docket number was the Company's triennial GAP Evaluation report.

Line			2024 CPE GAP Report
18	2018 Order Language ⁵	2. The Commission hereby adopts the streamlined reporting format in Attachment A of the Stakeholder Utility Report.	Schedule D
19	2020 Order Language ⁶	8a. Provide the costs for each outreach activity associated with increasing LIHEAP and GAP participation and retention	Section 23
20		8b. Report the monthly number of LIHEAP and GAP customers compared to those numbers in the same months for the previous three years	Section 23
21		8c. Provide the average annual and range (low to high) of LIHEAP and GAP customer natural gas usage levels	Section 23
22		8d. report on specific efforts to coordinate participation in LIHEAP, GAP, and CIP programs, including CenterPoint's mapping process to target CIP resources based on natural gas usage and census tract demographic data	Section 22
23		8e. standardize the method for reporting allowable, incremental and total GAP administrative costs, using the March 31, 2020 report in Docket No. 20-399 as the format, and continue to provide the percentage of program costs represented by administrative costs.	Section 4
24	2021 Order Language ⁷	2. Each of the utilities must include in their March 2022 annual reports their observations of any unusual GAP enrollment trends that could be caused by pandemic-related factors.	Section 25
25		6. In its next annual GAP filing, CenterPoint must include a discussion of whether the payment requirement should return to the 6% level or remain at 3%.	Section 1
26		7. In future annual GAP filings, CenterPoint must discuss whether or not the spending cap should revert to \$5 million and must include this discussion in each report until the lower spending cap is reinstated.	Section 1
		11. In its next annual GAP report, CenterPoint shall report on the transition from ECC administration of the GAP program to CenterPoint internal administration of the program and must file the following:	Section 1

⁵ From Docket G-008/M-16-486, September 28, 2018, p. 2. This docket number was the Company's triennial GAP Evaluation report, in which the Utility Stakeholder Report was filed.

⁶ From Docket G-008/M-20-399, November 5, 2020, p. 5. This docket number was the Company's annual GAP Compliance report.

⁷ From Docket G-008/M-21-218, September 15, 2021, p. 6. This docket number was the Company's annual GAP Compliance report.

Line			2024 CPE GAP Report
		a. The number of CenterPoint employees who are trained and work with customers on the GAP program, and the location of these employees; b. An explanation of how CenterPoint's allocation of GAP-related employees in and outside of Minnesota, and how that decision best serves ratepayers in Minnesota; c. A description of the training CenterPoint provides to these employees; and d. A description of how CenterPoint collaborates with low-income organizations and CAP agencies in Minnesota.	
27	2023 Order Language ⁸	4. Discontinued the GAP three-year evaluation reports and instead required five years of historical data in each GAP annual report for the following companies: a. Minnesota Energy Resources (22-248) b. Greater Minnesota Gas (22-249) c. Great Plains Natural Gas (22-255) d. CenterPoint Energy (22-256) e. Xcel Energy (22-257)	Section 6
		8. Required natural gas utilities to send emails and flyers with information about GAP to each LIHEAP service providers in its service territory.	Section 22
		9. Required natural gas utilities to provide in their next annual report a discussion of reporting on the number of customer service calls from payment-troubled customers and the resulting GAP referrals made in future annual GAP compliance filings.	Section 26
		10. Required CenterPoint Energy to perform reporting on its automatic GAP enrollment efforts in its next annual report.	Section 25
		12. Denied without prejudice CenterPoint Energy's proposal to develop automatic enrollment in GAP. The Company shall propose automatic enrollment in their next annual report filing. The filing shall project program income and spending with automatic enrollment, including:	Section 25

⁸ From Docket G-008/M-22-256, January 18, 2023, p. 2. This docket number was the Company's 3-year GAP Evaluation report.

Line			2024 CPE GAP Report
		12a. Current tracker balance.	Schedule E
		12b. Current monthly spending rate, number of GAP participants, and percent of participants who leave or are removed from the program each month.	Monthly Spend: Schedule E GAP Participants and Deactivation: Section 25
		12c. An estimate or range of estimates of monthly GAP spending, if all customers who receive LIHEAP and who are eligible to participate in GAP based on their income and energy cost were to be enrolled, and an explanation of the assumptions made in calculating this estimate.	Section 25
		12d. Demonstration that automatic enrollment is not expected to result in the denial of the program to new enrollees or applicants within the first year of operation.	Section 25
		16. Required each natural gas utility to submit its compliance reports in spreadsheet format.	Schedule A, B, D, E, and F
28	September 2023 Order language ⁹	8. In its 2023 GAP report, CenterPoint Energy must report on its surcharge and benefit levels and whether they need to be adjusted.	Schedule E and F
		9. The Commission approves CenterPoint Energy's request to begin, in January 2024, automatically enrolling eligible customers into its GAP.	Section 25
		10. CenterPoint Energy must provide GAP-eligible customers with 30 days to opt out of automatic enrollment, starting on the date when the Company sends customer-specific notices to GAP-eligible LIHEAP recipients.	Section 25
		11. CenterPoint must allow customers who opt [out] of automatic enrollment or otherwise remove themselves from GAP to subsequently apply for GAP during the same program year should they choose to do so.	Section 25
		13. CenterPoint Energy must send communications to customers informing them of automatic GAP enrollment and other program changes approved by the Commission. CenterPoint must work with the Citizens Utility Board of	Section 23

⁹ From Docket G-008/M-23-84, September 7, 2023, pages 4-6.

Line			2024 CPE GAP Report
		Minnesota, Energy CENTS Coalition, and Commission staff to develop communications that must include:	
		<p>13. a. A one-time mailing to, at a minimum, all current LIHEAP customers which contains the following information:</p> <ul style="list-style-type: none"> i. A description of GAP; ii. An explanation of the GAP automatic enrollment process; iii. A list of important deadlines associated with LIHEAP and GAP; iv. A description of additional resources on LIHEAP and GAP, and where such resources can be accessed; v. A notice that continued GAP enrollment is dependent on LIHEAP participation; <p>A recommendation that customers seeking to remain on GAP apply to LIHEAP at the earliest possible opportunity; and</p> <ul style="list-style-type: none"> vii. A notice that additional electric-side affordability programs may be available to customers of rate-regulated electric utilities and contact information for respective program administrators. 	Section 23
		<p>13.b. A mailing to approved LIHEAP customers. These customer-specific communications must provide detailed information on GAP, including:</p> <ul style="list-style-type: none"> i. The customer's monthly bill under GAP and the affordability credit they will receive; ii. The customer's monthly arrearage forgiveness payment and arrearage forgiveness credit (if any); iii. An explanation of GAP program terms, including an explanation that customers may be removed from the program for missed payments; iv. An explanation of how any Energy Assistance grant balance on a customer's account will be applied, and how (if at all) that will delay or alter the application of GAP credits; v. An explanation that, to remain enrolled in GAP, the customer must apply for and receive LIHEAP by May 1 of each subsequent year, or otherwise have an application that is submitted and pending approval at such time; 	Section 23

Line			2024 CPE GAP Report
		vi. Confirmation that CenterPoint Energy will not use customers' income information for any purpose other than to calculate their GAP program credits; vii. A notification that customers may opt out of GAP prior to automatic enrollment by contacting CenterPoint Energy within 30 days or, after being automatically enrolled, may voluntarily remove themselves from the program by contacting CenterPoint Energy directly; and viii. Contact details for who the customer may contact to initiate the opt out procedure or otherwise unenroll themselves from GAP.	
		13. c. A description of GAP and the automatic enrollment process in future LIHEAP promotional materials.	Section 23
		13. d. A final notice to GAP participants that have not re-enrolled in LIHEAP 60 days prior to May 1 that informs them that they will be removed from GAP on May 1 if they do not apply for and receive LIHEAP or otherwise have an application that is submitted and pending approval at such time. If a customer has still not re-enrolled in LIHEAP 30 days prior to May 1, CenterPoint Energy will send out an additional notice encouraging the GAP participant to apply.	Section 23
		14. CenterPoint Energy must monitor monthly spending from and income to the GAP program. If, and when, the program is on track to deplete its tracker balance within 6 months, CenterPoint Energy shall make a filing with the Commission that includes, at a minimum: a. Tracker balance, income, and spending on a monthly basis for the previous 6 months and projected 6 months in the future; b. An evaluation of possible modifications to avoid closure of the program, including modifying the affordability benefit and arrearage forgiveness benefit amounts for participants, changing the program funding level/surcharge, and other options the Company has considered; and c. A proposal to avoid the projected negative tracker balance.	Section 25
		15. CenterPoint Energy must file modified tariffs that reflect automatic enrollment and the updated certification requirements in a compliance filing within 30 days of the Order	Section 26

Line			2024 CPE GAP Report
		16. Within 120 days, CenterPoint Energy must propose a possible recertification date of between March 1 and May 1, 2024. If no party objects to the filing within 30 days, it will go into effect.	Section 26

**Annual Compliance Submission of CenterPoint Energy
Minnesota Gas, a Division of CenterPoint Energy Resources
Corp, for its Gas Affordability Service Program**

**Schedule D: GAP Reporting Summary
See Separate Attached Excel Document**

Docket No. G-008/M-25-38

June 30, 2025

**Annual Compliance Submission of CenterPoint Energy
Minnesota Gas, a Division of CenterPoint Energy Resources
Corp, for its Gas Affordability Service Program**

**Schedule E: 2025 GAP Tracker Actual/Forecast
Activity & Balances**

See Separate Attached Excel Document

Docket No. G-008/M-25-38

June 30, 2025

**Annual Compliance Submission of CenterPoint Energy
Minnesota Gas, a Division of CenterPoint Energy Resources
Corp, for its Gas Affordability Service Program**

**Schedule F: 2026 GAP Tracker Forecast Activity &
Balances**

See Separate Attached Excel Document

Docket No. G-008/M-25-38

June 30, 2025

CERTIFICATE OF SERVICE

I, Christina Benning, certify that on Monday, June 30, 2025, I served the attached Compliance Filing of CenterPoint Energy on the attached service list for Docket No. G-008/M-25-38. The filing was delivered electronically or, if indicated on the attached service list, placed in the U.S. Mail at Minneapolis, Minnesota.

/s/ Christina Benning
Senior Regulatory Paralegal
CenterPoint Energy

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	John	Coffman	john@johncoffman.net	AARP		871 Tuxedo Blvd. St. Louis MO, 63119-2044 United States	Electronic Service		No	M-25-38
2	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	M-25-38
3	Brandon	Crawford	brandonc@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota St Ste W1360 St. Paul MN, 55101 United States	Electronic Service		No	M-25-38
4	Ron	Elwood	relwood@mnlsap.org	Legal Services Advocacy Project		970 Raymond Avenue Suite G-40 Saint Paul MN, 55114 United States	Electronic Service		No	M-25-38
5	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	M-25-38
6	Annie	Levenson Falk	annief@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota Street, Suite W1360 St. Paul MN, 55101 United States	Electronic Service		No	M-25-38
7	Chris	Osowski	chris_osowski@usc.salvationarmy.org	Salvation Army		2080 Woodlynn Avenue Maplewood MN, 55109 United States	Electronic Service		No	M-25-38
8	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	M-25-38
9	Will	Seuffert	will.seuffert@state.mn.us		Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul MN, 55101 United States	Electronic Service		Yes	M-25-38
10	Emily	Suppes	emily.suppes@centerpointenergy.com	CenterPoint Energy Minnesota Gas		505 Nicollet Mall Minneapolis MN, 55402 United States	Electronic Service		No	M-25-38