



800 LaSalle Avenue  
P.O. Box 59038  
Minneapolis, MN 55459-0038

September 8, 2014

**PUBLIC VERSION  
TRADE SECRET INFORMATION HAS BEEN EXCISED**

Dr. Burl Haar  
Executive Secretary  
Minnesota Public Utilities Commission  
121 East 7<sup>th</sup> Place, Suite 350  
St. Paul, Minnesota 55101-2147

Re: *In the Matter of the Application of CenterPoint Energy, a Division of CenterPoint Energy Resources Corp., for Authority to Increase Natural Gas Rates in Minnesota*  
MPUC Docket No. G-008/GR-13-316  
OAH Docket No. 80-2500-30979

Pursuant to the Minnesota Public Utilities Commission's ("MPUC") Order issued June 9, 2014, CenterPoint Energy, a division of CenterPoint Energy Resources Corp., ("CenterPoint Energy" or "Company") respectfully submits its compliance filing in the above referenced docket.

Schedule A2c part 2 of this filing has been marked "TRADE SECRET" and should not be disclosed to any party, other than parties having signed written Confidentiality Agreements in this proceeding, without the written consent of CenterPoint Energy. The information meets the definition of trade secret in Minn. Stat. 13.37 subd.1(b) as follows: (1) the information was supplied by CenterPoint Energy, the affected organization; (2) CenterPoint Energy has taken all reasonable efforts to maintain the secrecy of the information, and (3) the protected information contains operating information which derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use.

The compliance requirements from Ordering Paragraph #29 of the Order dated June 9, 2014 were followed in preparing this compliance filing. They are described below.

Within 30 days of the date of this order, the Company shall make a compliance including the following items:

- A. Revised schedules of rates and charges reflecting the revenue requirement and the rate design decisions herein, along with the proposed effective date, and including the following information:
  1. Breakdown of Total Operating Revenues by type;
  2. Schedules showing all billing determinants for the retail sales (and sale for resale) of natural gas. These schedules shall include but not be limited to:
    - a) Total revenue by customer class;
    - b) Total number of customers, the customer charge and total customer charge revenue by customer class; and
    - c) For each customer class, the total number of commodity and demand related billing units, the per unit of commodity and demand cost of gas, the non-gas margin, and the total commodity and demand related sales revenues.
- B. Revised tariff sheets incorporating authorized rate design decisions.
- C. Proposed customer notices explaining the final rates, the monthly basic service charges, and any and all changes to rate design and customer billing.

- D. A revised base cost of gas, supporting schedules, and revised fuel adjustment tariffs to be in effect on the date final rates are implemented.
- E. A summary listing of all other rate riders and charges in effect, and continuing, after the date final rates are implemented.
- F. A schedule detailing the CIP tracker balance at the beginning of interim rates, the revenues (CCRC and CIP Adjustment Factor) and costs recorded during the period of interim rates, and the CIP tracker balance at the time final rates become effective.
- G. Because final authorized rates are lower than interim rates, a proposal to make refunds of interim rates, including interest to affected customers.

Ordering Paragraph 3 also requires the Company to work with the parties and interested stakeholders to develop and file, within 60 days of the date of this order, a compliance filing that includes proposals for both an annual evaluation plan and a comprehensive, effective and meaningful education and consumer outreach program that sets forth the goals of, and explains the pilot Revenue Decoupling Rider that will be implemented July 1, 2015. The Company will provide the required information on Wednesday, October 15, 2014.

Pursuant to the August 15 Order, CenterPoint Energy acknowledges that parties shall have 30 days, i.e. until Wednesday, October 15, 2014 to comment on this compliance filing.

CenterPoint Energy proposes to implement final rates no later than with meters read on and after December 1, 2014. Under Minn. Stat. §216B.16, the effective date for final rates in a general rate case is the date of the Commission's final determination (i.e., August 15, 2014 which was the date of the Commission's Order Granting Request for Clarification). By implementing final rates in this manner, the earliest usage the new rates would be applied against would be approximately December 2014 which is after the effective date of the Commission's final determination. As long as the interim rate refund is properly calculated; final rates do not apply to any gas usage which occurred prior to the Commission's final determination and enough time is allowed for comment and implementation, final rates should be allowed to be implemented on a non-prorated basis or "dropped in", as was done in the 3 most recent prior rate cases (Docket Nos. G008/GR-08-1075, G008/GR-05-1380 and G008/GR-04-901) and as is being proposed here.

Please contact me at 612.321.4625 with any questions you may have regarding this filing.

Sincerely,

/s/  
Peggy Sorum  
Manager, Regulatory Financial Activities

Attachments



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
David	Aafedt	daafedt@winthrop.com	Winthrop & Weinstine, P.A.	Suite 3500, 225 South Sixth Street  Minneapolis, MN 554024629	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List
Brenda A.	Bjorklund	brenda.bjorklund@centerpointenergy.com	CenterPoint Energy	800 LaSalle Ave FL 14  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_13-316_Official CC Service List
James	Canaday	james.canaday@ag.state.mn.us	Office of the Attorney General-RUD	Suite 1400 445 Minnesota St. St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List
Jerry	Dasinger	jerry.dasinger@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East  St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List
Jeffrey A.	Daugherty	jeffrey.daugherty@centerpointenergy.com	CenterPoint Energy	800 LaSalle Ave  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_13-316_Official CC Service List
Ian	Dobson	ian.dobson@ag.state.mn.us	Office of the Attorney General-RUD	Antitrust and Utilities Division 445 Minnesota Street, BRM Tower St. Paul, MN 55101	Electronic Service 1400	Yes	OFF_SL_13-316_Official CC Service List
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List
Robert	Harding	robert.harding@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East  St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List
Mary	Holly	mholly@winthrop.com	Winthrop & Weinstine, P.A.	225 South Sixth Street, Suite 3500  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_13-316_Official CC Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Linda	Jensen	linda.s.jensen@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota Street  St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List
Peter	Madsen	peter.madsen@ag.state.mn.us	Office of the Attorney General-DOC	Bremer Tower, Suite 1800 445 Minnesota Street St. Paul, Minnesota 55101	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E  St. Paul, MN 55106	Electronic Service	No	OFF_SL_13-316_Official CC Service List
Karen	Olson	karen.olson@ag.state.mn.us	Office of the Attorney General-RUD	1400 Bremer Tower 445 Minnesota St St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List
LauraSue	Schlatter	LauraSue.Schlatter@state.mn.us	Office of Administrative Hearings	600 North Robert Street  St. Paul, Minnesota 55101	Paper Service	Yes	OFF_SL_13-316_Official CC Service List
Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix And Associates	Ste 122 9100 W Bloomington Frwy Bloomington, MN 55431	Paper Service	Yes	OFF_SL_13-316_Official CC Service List
Peggy	Sorum	peggy.sorum@centerpointenergy.com	CenterPoint Energy	800 LaSalle Avenue PO Box 59038 Minneapolis, MN 554590038	Electronic Service	No	OFF_SL_13-316_Official CC Service List
James M.	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	470 U.S. Bank Plaza 200 South Sixth Street Minneapolis, MN 55402	Electronic Service	No	OFF_SL_13-316_Official CC Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	Yes	OFF_SL_13-316_Official CC Service List

Schedule	Order Reference
<p>A. Revised Schedules of rates and charges</p> <p style="padding-left: 40px;">A. Revenue Requirements</p> <p style="padding-left: 80px;">A-1. Total Operating Revenues by type</p> <p style="padding-left: 80px;">A-2a. Total revenue by customer class</p> <p style="padding-left: 80px;">A-2b. Total number of customers, the customer charge and revenue by customer class</p> <p style="padding-left: 80px;">A-2c. For each customer class, the total number of commodity and demand related billing units, the per unit of commodity and demand cost of gas, the non-gas margin, and the total commodity and demand related sales revenues.</p>	<p>Order, Paragraph 1</p> <p>Order, Paragraph 29. A.</p>
<p>B. Revised tariff sheets</p>	<p>Order, Paragraph 29 B.</p>
<p>C. Proposed customer notices</p>	<p>Order, Paragraph 29 C.</p>
<p>D. Revised base cost of gas</p>	<p>Order, Paragraph 29 D.</p>
<p>E. Rate Riders and Charges in Effect</p>	<p>Order, Paragraph 29 E.</p>
<p>F. CIP Tracker</p>	<p>Order, Paragraph 29 F.</p>
<p>G. Interim Rate Refund Plan</p>	<p>Order, Paragraph 29 G.</p>

**CENTERPOINT ENERGY**  
**REVENUE REQUIREMENTS**

Commission Order, page 57, paragraph 1. and

Commission Order, page 61, paragraph 29, part A., line 1.

The commission finds that the record demonstrates that CenterPoint Energy is entitled to increase its total gross annual Minnesota jurisdictional revenues by \$32,943,000 to produce gross annual jurisdictional operating revenues of \$882,470,000.

The following schedules show the calculation of the final revenue requirements.

**CenterPoint Energy**  
**Revenue Requirements**  
**Financial Summary**  
**Test Year - Twelve Months Ending Sept. 30, 2014**  
**(\$000s)**

Line No.	Description	Test Year		
		Test Year AS FILED	Adjustments	PUC Order
1	Average Net Rate Base	\$702,359	(\$2,111)	\$700,248
2	Operating Income	\$28,798	\$3,845	\$32,643
3	Rate of Return Required	7.80%		7.42%
4	Required Operating Income (1 x 3)	\$54,784	(\$2,826)	\$51,958
5	Operating Income Deficiency (4 - 2)	\$25,986	(\$6,671)	\$19,315
6	Gross Revenue Conversion	1.7056	1.7056	1.7056
7	Revenue Deficiency (5 x 6)	\$44,322	(\$11,379)	\$32,943



**CenterPoint Energy**  
**Revenue Requirements**  
**Detail Rate Base Summary**  
**Test Year - Twelve Months Ending Sept. 30, 2014**  
**(\$000s)**

Line No.	Description	Test Year AS FILED <sup>/1/</sup>	Adjustments <sup>/2/</sup>	PUC Order
1	Utility Plant in Service:			
2	Intangible	\$1,589	0	\$1,589
3	Production	18,989	0	\$18,989
4	Underground Storage	20,981	0	\$20,981
5	Other Storage	16,507	0	\$16,507
6	Distribution	1,379,958	(109)	\$1,379,849
7	General	148,115	0	\$148,115
8	Total Utility Plant in Service	<u>\$1,586,139</u>	<u>(\$109)</u>	<u>\$1,586,030</u>
9	Accumulated Reserve:			
10	Intangible	\$940	\$0	\$940
11	Production	17,303	\$0	\$17,303
12	Underground Storage	19,770	\$0	\$19,770
13	Other Storage	17,471	\$0	\$17,471
14	Distribution	654,488	\$0	\$654,488
15	General	90,894	\$0	\$90,894
16	Total Accumulated Reserve	<u>\$800,866</u>	<u>\$0</u>	<u>\$800,866</u>
17	Net Utility Plant in Service:			
18	Intangible	\$649	\$0	\$649
19	Production	1,686	-	\$1,686
20	Underground Storage	1,211	-	\$1,211
21	Other Storage	(964)	-	(\$964)
22	Distribution	725,470	(109)	\$725,361
23	General	57,221	-	\$57,221
24	Total Net Utility Plant in Service	<u>\$785,273</u>	<u>(\$109)</u>	<u>\$785,164</u>
25	Construction Work in Progress	\$0	-	\$0
26	Net Acquisition Adjustment	-	-	\$0
27	Gas Stored Underground-Noncurrent	177	-	\$177
28	Customer Advances for Construction	(241)	-	(\$241)
29	Accumulated Deferred Income Taxes	(132,792)	-	(\$132,792)
30	Working Capital:			
31	Materials and Supplies	9,488	(14)	\$9,474
32	Gas Stored Underground-Current	36,635	(2,347)	\$34,288
33	Liquefied Natural Gas Stored	1,473	-	\$1,473
34	Liquefied Petroleum (Propane) Gas	4,207	-	\$4,207
35	Prepayments	1,246	-	\$1,246
36	Other Deferred Debits & Credits	(14,588)	-	(\$14,588)
37	Other Cash Working Capital	11,481	360	11,841
38	Total Working Capital	<u>\$49,942</u>	<u>(\$2,001)</u>	<u>\$47,941</u>
39	Average Net Rate Base	<u>\$702,359</u>	<u>(\$2,111)</u>	<u>\$700,248</u>

/1/ See Petition - Volume 1: Required Schedule B-2

/2/ See Supporting Schedules

**CenterPoint Energy**  
**Revenue Requirements**  
**Rate Base Adjustments**  
**Test Year - Twelve Months Ending Sept. 30, 2014**  
**(\$000s)**

Line No.	Description <A>	Fleet Fuel <E>	Cost of Gas/ Inventory <I>	Qualified Pension Expense <K>	Non-Qualified Pension Expense <L>	Non-Qualified Savings Plan Expense <M>	Cash Working Capital <T>	Total Adjustments <U>
1	Utility Plant in Service:							
2	Intangible							0
3	Production							0
4	Underground Storage							0
5	Other Storage							0
6	Distribution			(103,708)	(5,209)	(503)		(109,421)
7	General							0
8	Total Utility Plant in Service	\$0	\$0	(\$103,708)	(\$5,209)	(\$503)	\$0	(\$109,421)
9	Accumulated Reserve:							
10	Intangible							0
11	Production							0
12	Underground Storage							0
13	Other Storage							0
14	Distribution							0
15	General							0
16	Total Accumulated Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Net Utility Plant in Service:							
18	Intangible						-	-
19	Production						-	-
20	Underground Storage						-	-
21	Other Storage						-	-
22	Distribution			(103,708)	(5,209)	(503)	-	(109,421)
23	General						-	-
24	Total Net Utility Plant in Service	\$0	\$0	(\$103,708)	(\$5,209)	(\$503)	\$0	(\$109,421)
25	Construction Work in Progress							0
26	Net Acquisition Adjustment							0
27	Gas Stored Underground-Noncurrent							0
28	Customer Advances for Construction							0
29	Accumulated Deferred Income Taxes							0
30	Working Capital:							
31	Materials and Supplies	(13,834)						(13,834)
32	Gas Stored Underground-Current		(2,347,283)					(2,347,283)
33	Liquefied Natural Gas Stored							0
34	Liquefied Petroleum (Propane) Gas							0
35	Initial Margin on Forward Future Contracts							0
36	Prepayments							0
37	Other Deferred Debits & Credits							0
38	Other Cash Working Capital						360,000	360,000
39	Total Working Capital	(\$13,834)	(\$2,347,283)	\$0	\$0	\$0	\$360,000	(\$2,001,116)
40	Average Net Rate Base	(\$13,834)	(\$2,347,283)	(\$103,708)	(\$5,209)	(\$503)	\$360,000	(\$2,110,537)

Please note that the columns shown display the adjustments to rate base and the columns are lettered to match the adjustments shown on the Operating Income Adjustment pages.

CenterPoint Energy  
Revenue Requirements

Lead/Lag Adjustment

	Test Year Expense AS FILED	Adjustments per ALJ Recommendations	Test Year Expense	Expense Per Day	Lag Days	Lead Days	Lag Float	Net Days	Net Lead/ Lag Dollars	Net Lead/ Lag Dollars AS FILED
Cost of Gas Purchases	594,461,920	(34,131,595) /1/	560,330,325	1,535,152	(36.9)	52.2	(0.5)	14.8	22,720,250	24,104,212
Cost of Propane Purchases	162,738	0	162,738	446	(11.7)	52.2	(0.5)	40.0	17,840	17,840
Salaries & Wages	46,801,653	(272,641) /2/	46,529,012	127,477	(23.7)	52.2	(0.5)	28.0	3,569,356	3,590,272
Other Op. and Maint. Exp.	75,954,224	(908,375) /3/	75,045,849	205,605	(35.8)	52.2	(0.5)	15.9	3,269,120	3,308,695
Self Ins. Med & Dental	10,652,610	0	10,652,610	29,185	(24.1)	52.2	(0.5)	27.6	805,506	805,506
Bad Debt Expense	8,350,574	(2,250,361) /4/	6,100,213	16,713	(117.0)	52.2	(0.5)	(65.3)	(1,091,359)	(1,493,933)
Allocation From Parent	8,965,114	(126,291) /5/	8,838,823	24,216	(33.1)	52.2	(0.5)	18.6	450,418	456,853
Inj & Dam. - Premiums	1,845,744	0	1,845,744	5,057	(34.7)	52.2	(0.5)	17.0	85,969	85,969
Pension	3,109,026	(758,962) /6/	2,350,064	6,439	(182.5)	52.2	(0.5)	(130.8)	(842,221)	(1,114,154)
Retiree Medical	697,320	0	697,320	1,910	(182.5)	52.2	(0.5)	(130.8)	(249,828)	(249,828)
Taxes:										
Current Fed. Inc.	16,907,687	(1,494,646)	15,413,041 /7/	42,228	(37.0)	52.2	(0.5)	14.7	620,752	680,933
Current State Inc.	5,254,049	(463,970)	4,790,079 /8/	13,124	(29.3)	52.2	(0.5)	22.4	293,978	322,448
Real Estate	1,822,056	0	1,822,056	4,992	(394.1)	52.2	(0.5)	(342.4)	(1,709,261)	(1,709,261)
Property	26,742,102	(1,799,000) /9/	24,943,102	68,337	(317.5)	52.2	(0.5)	(265.8)	(18,163,975)	(19,474,103)
Payroll tax and Other taxes	3,930,294		3,930,294	10,768	(29.5)	52.2	(0.5)	22.2	239,050	239,050
Total Lead/Lag Exp.	805,657,111	(42,205,842)	763,451,270	2,091,649				4.8	10,015,595	9,570,499
								Rounded =>	10,016,000	9,570,000
								Difference =>		446,000

/1/ Sales Forecast and Cost of Gas Adjustments (line 16 columns B and I)

/2/ LTIP & STI Adjustments, (columns N & O Income Statement Adjustment page)

/3/ Various expense adjustments: CIP recovered in base year from sales forecast (\$80,887), Fleet, Fuel (-\$173,416), Odorant (-\$10,034), Misc. Travel/Entertainment/Employee Expenses (-\$755,812), Dues (-\$15,360), Current Rate Case Expense (\$50,000), and 2008 Rate Case Expense (\$933,976) (Columns B, E, F, G, Q, & S)

/4/ Bad Debt Adjustment (column D)

/5/ Corporate Investor Relations Adjustment (Column P)

/6/ Pension and Savings Plan adjustments (columns K, L, & M)

/7/ Federal income tax impact

/8/ State income tax impact

/9/ Property Tax Adjustment (Column H)

**CenterPoint Energy  
Revenue Requirements**

**Cash Avail. from Tax & Fee Collections (\$1000s)**

	Filed /1/	FINAL	Change	Lag Days /1/	Day Weighted Dollars		
EE payroll	\$46,802		\$46,529	-0.58%			
Employee FICA	\$3,630		\$3,609 /2/	2.3	\$8,301		
Federal Withholding	\$5,142		\$5,112 /2/	2.3	\$11,758	Franchise Fees test period	15,217 /1/
State withholding	\$1,932		\$1,921 /2/	5.0	\$9,604	Test Period Revenues	878,881
Sales Taxes	\$20,922		\$20,121	(23.8)	(\$478,880)	Factor	1.73%
Franchise Fees	<u>\$15,217</u>		<u>\$14,634</u>	(12.8)	<u>(\$187,315)</u>	0	
Total	\$46,843		\$45,397		(\$636,532)	As Adj. Revenues	845,227
						As Adjusted FF	14,634
Average Lag Days					(14.00)		
Average Daily Tax collection					124		
Tax Collection Available					1,736		
Filed					1,822 /1/	Sales Tax	20,922 /1/
						Rev	894,098
Difference:					(86)	Factor	2.34%
						As Adj. Revenues	859,861
						Est. Sales Taxes	20,121

/1/ KRN-WP Vol 4 Sch 50 WP 18 Page 1 of 44

/2/ % change in Payroll applied to withholdings as filed

**CenterPoint Energy**  
**Revenue Requirements**  
**Statement of Operating Income**  
**Test Year - Twelve Months Ending Sept. 30, 2014**  
**(\$000s)**

Line No.	Description	Test Year Expenses		
		Test Year AS FILED <sup>/1/</sup>	Adjustments <sup>/2/</sup>	PUC Order
1	Operating Revenue			
2	Sales of Gas			
3	Residential	\$522,894	(\$19,699)	\$503,195
4	Commercial & Industrial	209,969	(8,922)	201,047
5	Total Firm	\$732,863	(\$28,621)	\$704,242
6	Dual Fuel	127,404	(4,868)	122,536
7	Transportation	18,614	0	18,614
8	Other	907	482	1,389
9	Less: Franchise Fees		0	0
10	Total	\$879,788	(\$33,007)	\$846,781
11	Late Payment Charges	3,393	(647)	2,746
12	Other Operating Revenue	0	0	0
13	Total Operating Revenue	\$883,181	(\$33,654)	\$849,527
14	Operating Expenses			
15	Operation and Maintenance			
16	Cost of Gas Purchases	\$594,544	(\$34,132)	\$560,412
17	Production	876	(10)	866
18	Other Gas Supply	802	0	802
19	Underground Storage	870	0	870
20	Other Storage	634	0	634
21	Distribution	31,316	(71)	31,245
22	Customer Accounts	35,072	(2,286)	32,786
23	Customer Service & Informational	31,414	81	31,495
24	Sales	505	0	505
25	Administrative & General	36,554	(1,964)	34,590
26	Total Operation	\$732,587	(\$38,382)	\$694,205
27	Maintenance Expenses	19,983	(67)	19,916
28	Total Operation & Maintenance	\$752,570	(\$38,449)	\$714,121
29	Depreciation and Amortization	61,813	0	61,813
30	Federal & State Income Taxes	3,826	2,749	6,575
31	Deferred Income Taxes	4,521		4,521
32	Investment Tax Credit Adjustment	(463)		(463)
33	Other Taxes	32,116	(1,799)	30,317
34	Total Operating Expenses	\$854,383	(\$37,499)	\$816,884
35	Operating Income Before AFUDC	28,798	3,845	32,643
36	Allowance for Funds Used During Construction	0		0
37	Utility Operating Income	\$28,798	\$3,845	\$32,643

/1/ See Petition - Volume 1: Required Schedule C-1

/2/ See Supporting Schedules

**CenterPoint Energy**  
**Calculation of Tax Adjustment**  
**Test Year - Twelve Months Ending Sept. 30, 2014**  
**(\$000s)**

Line No.	Description		Tax Adjustments
1	Rate Base	700,248	
2	Wtd Cost of Debt	2.38%	
3	Interest Expense	16,666	
4	Interest Expense as filed	16,716	
5	Interest Deduction Adjustment	(50)	
6	Taxable Income Adjustment	50	
7	Tax Rate	41.37%	
8	Tax Adjustment		\$21
9	Adj. to Operating Income before Taxes	\$6,594	
10	Tax Rate	41.37%	
11	Tax Adjustment		\$2,728
12	Total Tax Adj. (6+10+18)		\$2,749

**CenterPoint Energy**  
**Revenue Requirements**  
**Operating Income Adjustments**  
**Test Year - Twelve Months Ending Sept. 30, 2014**

Line No.	Description	Sales Forecast Curtailments <B>	Late Payment Revenue Factor <C>	Bad Debt Factor <D>	Fleet Fuel <E>	Odorant <F>	Misc Travel Ent, & Employee Expense <G>	Property Taxes <H>	Cost of Gas/ Inventory <I>
1	Operating Revenue								
2	Sales of Gas								
3	Residential								(19,698,541)
4	Commercial & Industrial								(8,921,788)
5	Total Firm	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$28,620,329)
6	Dual Fuel	3,299,614							(8,167,114)
7	Transportation								
8	Other								
9	Less: Franchise Fees								
10	Total	\$3,299,614	\$0	\$0	\$0	\$0	\$0	\$0	(\$36,787,443)
11	Late Payment Charges		(647,495)						
12	Other Operating Revenue								
13	Total Operating Revenue	\$3,299,614	(\$647,495)	\$0	\$0	\$0	\$0	\$0	(\$36,787,443)
14	Operating Expenses								
15	Operation and Maintenance								
16	Cost of Gas Purchases	2,655,848							(36,787,443)
17	Production					(10,034)			
18	Other Gas Supply								
19	Underground Storage								
20	Other Storage								
21	Distribution & Utilization				(70,782)				
22	Customer Accounting			(2,250,361)	(35,391)				
23	Customer Service & Informational Sales	80,887							
24	Administrative & General						(755,812)		
25	Total Operation	\$2,736,735	\$0	(\$2,250,361)	(\$106,173)	(\$10,034)	(\$755,812)	\$0	(\$36,787,443)
26	Maintenance Expenses				(67,243)				
27	Total Operation & Maintenance	\$2,736,735	\$0	(\$2,250,361)	(\$173,416)	(\$10,034)	(\$755,812)	\$0	(\$36,787,443)
28									
29	Depreciation and Amortization								
30	Federal & State Income Taxes								
31	Deferred Income Taxes								
32	Investment Tax Credit Adjustment								
33	Other Taxes							(1,799,000)	
34	Total Operating Expenses	\$2,736,735	\$0	(\$2,250,361)	(\$173,416)	(\$10,034)	(\$755,812)	(\$1,799,000)	(\$36,787,443)
35	Operating Income Before AFUDC	562,879	(647,495)	2,250,361	173,416	10,034	755,812	1,799,000	(0)
36	Allowance for Funds Used During Construction								
37	Utility Operating Income	<u>\$562,879</u>	<u>(\$647,495)</u>	<u>\$2,250,361</u>	<u>\$173,416</u>	<u>\$10,034</u>	<u>\$755,812</u>	<u>\$1,799,000</u>	<u>(\$0)</u>

**CenterPoint Energy**  
**Revenue Requirements**  
**Operating Income Adjustments**  
**Test Year - Twelve Months Ending Sept. 30, 2014**

Line No.	Description	LNG Sales	Qualified Pension Expense	Non-Qualified Pension Expense	Non-Qualified Savings Plan Expense	LTIP	STI	Corporate Investor Relations	Current Rate Case Expense	Reconnect Fees
	<A>	<J>	<K>	<L>	<M>	<N>	<O>	<P>	<Q>	<R>
1	Operating Revenue									
2	Sales of Gas									
3	Residential									
4	Commercial & Industrial									
5	Total Firm	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Dual Fuel									
7	Transportation									
8	Other	355,137								126,396
9	Less: Franchise Fees									
10	Total	\$355,137	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$126,396
11	Late Payment Charges									
12	Other Operating Revenue									
13	Total Operating Revenue	\$355,137	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$126,396
14	Operating Expenses									
15	Operation and Maintenance									
16	Cost of Gas Purchases									
17	Production									
18	Other Gas Supply									
19	Underground Storage									
20	Other Storage									
21	Distribution & Utilization									
22	Customer Accounting									
23	Customer Service & Informational									
24	Sales									
25	Administrative & General		(719,339)	(36,133)	(3,490)	(258,094)	(14,547)	(126,291)	(50,000)	
26	Total Operation	\$0	(\$719,339)	(\$36,133)	(\$3,490)	(\$258,094)	(\$14,547)	(\$126,291)	(\$50,000)	\$0
27	Maintenance Expenses									
28	Total Operation & Maintenance	\$0	(\$719,339)	(\$36,133)	(\$3,490)	(\$258,094)	(\$14,547)	(\$126,291)	(\$50,000)	\$0
29	Depreciation and Amortization									
30	Federal & State Income Taxes									
31	Deferred Income Taxes									
32	Investment Tax Credit Adjustment									
33	Other Taxes									
34	Total Operating Expenses	\$0	(\$719,339)	(\$36,133)	(\$3,490)	(\$258,094)	(\$14,547)	(\$126,291)	(\$50,000)	\$0
35	Operating Income Before AFUDC	355,137	719,339	36,133	3,490	258,094	14,547	126,291	50,000	126,396
36	Allowance for Funds Used During Construction									
37	Utility Operating Income	\$355,137	\$719,339	\$36,133	\$3,490	\$258,094	\$14,547	\$126,291	\$50,000	\$126,396



**CenterPoint Energy**  
**Revenue Requirements**  
**Operating Income Adjustments**  
**Test Year - Twelve Months Ending Sept. 30, 2014**

Line No.	Description	2008 Rate Case Expense	<T>	Total Adjustments
	<A>	<S>		<U>
1	Operating Revenue			
2	Sales of Gas			
3	Residential			(19,698,541)
4	Commercial & Industrial			(8,921,788)
5	Total Firm	\$0	\$0	(\$28,620,329)
6	Dual Fuel			(4,867,500)
7	Transportation			0
8	Other			481,533
9	Less: Franchise Fees			0
10	Total	\$0	\$0	(\$33,006,297)
11	Late Payment Charges			(647,495)
12	Other Operating Revenue			0
13	Total Operating Revenue	\$0	\$0	(\$33,653,792)
14	Operating Expenses			
15	Operation and Maintenance			
16	Cost of Gas Purchases			(34,131,595)
17	Production			(10,034)
18	Other Gas Supply			0
19	Underground Storage			0
20	Other Storage			0
21	Distribution & Utilization			(70,782)
22	Customer Accounting			(2,285,752)
23	Customer Service & Informational			80,887
24	Sales			0
25	Administrative & General	0		(1,963,706)
26	Total Operation	\$0	\$0	(\$38,380,983)
27	Maintenance Expenses			(67,243)
28	Total Operation & Maintenance	\$0	\$0	(\$38,448,226)
29	Depreciation and Amortization			0
30	Federal & State Income Taxes			0
31	Deferred Income Taxes			0
32	Investment Tax Credit Adjustment			0
33	Other Taxes			(1,799,000)
34	Total Operating Expenses	\$0	\$0	(\$40,247,226)
35	Operating Income Before AFUDC	0	0	6,593,434
36	Allowance for Funds Used During Construction			0
37	Utility Operating Income	\$0	\$0	\$6,593,434

Docket No. G-008/GR-13-316

COMPLIANCE FILING

SCHEDULE A1

**CENTERPOINT ENERGY**

**REVISED SCHEDULES OF RATES AND CHARGES**

Commission Order, page 61, paragraph 29, part A., line 1.

A breakdown of Total Operation Revenue by type.

**CenterPoint Energy**  
**Breakdown of Total Operating Revenues by Type**  
**Under Present and Proposed Rates**

<u>Line No.</u>	<u>Class</u> (a)	<u>Total Revenue Responsibility</u> <u>in (\$000)</u> (c)
1	Residential	\$524,312
2	Comm/Ind Firm A	19,909
3	Comm/Ind Firm B	35,150
4	Comm/Ind Firm C	153,334
5	Small Dual Fuel A	49,595
6	Small Dual Fuel B	30,911
7	Large Volume	<u>65,120</u>
8	TOTAL	<u>\$878,331</u>
9	Other	\$1,389
10	Late Payment Charges	\$2,746
12	Rounding	\$4
13	Total	\$882,470

**CENTERPOINT ENERGY**

**SCHEDULES SHOWING ALL BILLING DETERMINANTS**

Commission Order, page 61, paragraph 29, part A., line 2 (a), (b) & (c)

Schedules showing all billing determinants for the retail sales (and sales for resale) of gas; these schedules shall include but not be limited to:

- a. Total revenue by customer class;
- b. Total number of customers, the customer charge and total customer charge revenue by customer class; and
- c. For each customer class, the total number of commodity and demand related billing units, the per unit commodity and demand cost of gas, the non-gas unit margin, and the total commodity and demand related sales revenues;

**Schedules:**

**A-2a Summary of Test Year Operating Revenue**

**A-2b Total Number of customers, the customer charge and total customer charge revenue by customer class; and**

**A-2c Part 1 (2 pages)**

**Summary of New Billing Rates by components**

**A-2c Part 2 (10 pages) NON-PUBLIC DATA INCLUDED**

By customer class, the total number of commodity and demand related billing units, the per unit commodity and demand cost of gas, the non-gas unit margin, and the total commodity and demand related sales revenue. (same format as schedule E-2/KRN-WP, Volume 3 Schedule 32 Work paper 2)

*Contains **Trade Secret Information**, Non-Public and Public copies are provided.*

**CenterPoint Energy**  
**Summary of Test Year Operating Revenues**  
**Under Present and Final Rates - Final Authorized \$32,943,000**

Line No.	Class (a)	Total Test Year Revenue @ Present Rates (b)	Total Final Revenue Responsibility (c)	Authorized Increase (Decrease) (d)	Percentage Change (e)
1	Residential	\$503,195,017	\$524,311,719	\$21,116,702	4.2%
2	Comm/Ind Firm A	19,076,409	19,909,296	832,886	4.4%
3	Comm/Ind Firm B	33,912,309	35,150,242	1,237,933	3.7%
4	Comm/Ind Firm C	148,059,687	153,334,414	5,274,728	3.6%
5	Small Dual Fuel A	48,427,728	49,594,926	1,167,198	2.4%
6	Small Dual Fuel B	30,100,282	30,910,539	810,257	2.7%
7	Large Volume	<u>62,622,626</u>	<u>65,120,234</u>	<u>2,497,608</u>	4.0%
8	TOTAL	<u>\$845,394,058</u>	<u>\$878,331,371</u>	<u>\$32,937,312</u>	3.9%

**CENTERPOINT ENERGY  
SUMMARY CALCULATION of TOTAL PRESENT and FINAL REVENUE**

Line No.	Class of Service (a)	Total Test Year Revenue @ Present Rates (b)=(c)+(d)	Late Payment/ Other Revenue 2/ (c)	Present Billing Rate Revenue (d) 1/	Final Billing Rate Revenue Increase (Decrease) (e) 1/	Final Billing Rate Revenue (f)=(d)+(e) 1/	Late Payment/ Other Revenue (g)	Total Proposed Revenue Responsibility (h)=(f)+(g)
1	Residential	\$506,363,127	\$3,168,110	\$503,195,017	\$21,116,702	\$524,311,719	\$3,168,110	\$527,479,829
2	Comm/Ind-A	19,223,087	146,678	\$19,076,409	\$832,886	19,909,296	\$146,678	20,055,974
3	Comm/Ind-B	34,052,500	140,191	\$33,912,309	\$1,237,933	35,150,242	\$140,191	35,290,433
4	Comm/Ind-C	148,440,960	381,273	\$148,059,687	\$5,274,728	153,334,414	\$381,273	153,715,687
5	Small Dual Fuel-A	48,495,155	67,427	\$48,427,728	\$1,167,198	49,594,926	\$67,427	49,662,353
6	Small Dual Fuel-B	30,133,960	33,678	\$30,100,282	\$810,257	30,910,539	\$33,678	30,944,217
7	Large Volume	62,824,269	201,643	\$62,622,626	\$2,497,608	65,120,234	\$201,643	65,321,877
8	TOTAL	<u>\$849,533,058</u>	<u>\$4,139,000</u>	<u>\$845,394,058</u>	<u>\$32,937,312</u>	<u>\$878,331,371</u>	<u>\$4,139,000</u>	<u>\$882,470,371</u>

1/ See ScheduleA-2c, Part 2 for detailed calculations showing all billing determinants.  
Minor rounding differences occur.

2 / Updated Late Payment/Other Revenue

**CenterPoint Energy**  
**Total Number of Customers, the Customer Charge, and Total**  
**Customer Charge Revenue by Customer Class**

Line No.	Class (a)	Customers 1/ (b)	Monthly Charge (c)	Customer Charge Revenue (d)
1	Residential	754,001	\$9.50	\$85,956,095
2	Comm/Ind Firm A	31,768	\$15.00	\$476,524
3	Comm/Ind Firm B	17,662	\$21.00	\$370,909
4	Comm/Ind Firm C	16,502	\$43.00	\$709,568
5	<b>Total Firm</b>	<b>819,933</b>		<b>87,513,096</b>
6	Small Dual Fuel A-Sales	2,045	\$50.00	\$102,258
7	Small Dual Fuel A-Transport	80	\$150.00	\$11,975
8	Small Dual Fuel B - Sales	363	\$80.00	\$29,020
9	Small Dual Fuel B - Transport	45	\$180.00	\$8,145
10	<b>Total Small Dual Fuel</b>	<b>2,533</b>		<b>151,398</b>
11	Lrg Vol Dual Fuel - Sales	139	\$800.00	\$111,200
12	Lrg Vol Dual Fuel - Transport	105	\$900.00	\$94,500
13	Lrg Vol Firm - Transport	3	\$900.00	\$2,700
14	<b>Total Large</b>	<b>247</b>		<b>208,400</b>
15	<b>TOTAL</b>	<b><u>822,713</u></b>		<b><u>\$87,872,894</u></b>

1/ Annual number of Customer Bills divided by 12, rounded to the nearest whole number

**CALCULATION OF FINAL BASE RATE**

Effective: December 1, 2014

Line No.	Description (a)	Test Year Base Rate (b)	Adjustment (c)	FINAL Base Rate (d)
1	<b>FIRM SALES SERVICE</b>			
2				
3	<u>Residential</u>			
4	Basic Charge	\$8.00	\$1.50	\$9.50
5	Delivery Charge	0.16637	0.01107	0.17744
6	GAP Charge	0.00490	0.00029	0.00519
7	Cost of Gas	0.50706	(0.02966)	0.47740
8	Total Rate	0.67833	(0.01830)	0.66003
9				
10	<u>Commercial A</u>			
11	Basic Charge	\$12.00	\$3.00	\$15.00
12	Delivery Charge	0.14680	(0.01380)	0.13300
13	GAP Charge	0.00490	0.00029	0.00519
14	Cost of Gas	0.50760	(0.02887)	0.47873
15	Total Rate	0.6593	(0.04238)	0.61692
16				
17	<u>Commercial/Industrial B</u>			
18	Basic Charge	\$18.00	\$3.00	\$21.00
19	Delivery Charge	0.14422	0.01227	0.15649
20	GAP Charge	0.00490	0.00029	0.00519
21	Cost of Gas	0.50760	(0.02887)	0.47873
22	Total Rate	0.65672	(0.01631)	0.64041
23				
24	<u>Commercial/Industrial C</u>			
25	Basic Charge	\$43.00	\$0.00	\$43.00
26	Delivery Charge	0.13362	0.02290	0.15652
27	GAP Charge	0.00490	0.00029	0.00519
28	Cost of Gas	0.50520	-0.03022	0.47498
29	Total Rate	0.64372	-0.00703	0.63669
30				
31	<u>Large General Service</u>			
32	Basic Charge	\$600.00	\$200.00	\$800.00
33	Demand Charge (per unit of Peak Day Demand)			
34	Delivery Charge	0.42539	0.00000	0.42539
35	Cost of Gas	0.53259	0.00000	0.53259
36	Total Demand	0.95798	0.00000	0.95798
37	Commodity Charge (Per Therm usage)			
38	Delivery Charge	0.04270	0.00764	0.05034
39	Cost of Gas	0.42330	(0.03525)	0.38805
40	Total Commodity	0.46600	(0.02761)	0.43839
41				



**CALCULATION OF FINAL BASE RATE**

Effective: December 1, 2014

Line No.	Description (a)	Test Year Base Rate (b)	Adjustment (c)	FINAL Base Rate (d)
42	<b>DUAL FUEL: SALES SERVICE</b>			
43				
44	<u>Small Volume Dual Fuel-A</u>			
45	Basic Charge	\$60.00	(\$10.00)	\$50.00
46	Delivery Charge	0.09941	0.01468	0.11409
47	Cost of Gas	0.44130	(0.03156)	0.40974
48	Total Rate	0.54071	(0.01688)	0.52383
49				
50	<u>Small Volume Dual Fuel-B</u>			
51	Basic Charge	\$90.00	(\$10.00)	\$80.00
52	Delivery Charge	0.09420	0.01277	0.10697
53	Cost of Gas	0.44130	(0.03156)	0.40974
54	Total Rate	0.53550	(0.01879)	0.51671
55				
56	<u>Large Volume Dual Fuel</u>			
57	Basic Charge	\$ 600.00	\$200.00	\$ 800.00
58	Delivery Charge	0.04270	0.00764	0.05034
59	Cost of Gas	0.42330	(0.03525)	0.38805
60	Total Rate	0.46600	(0.02761)	0.43839
61				
62	<b>TRANSPORTATION SERVICE</b>			
63				
64	<u>Commercial/Industrial C</u>			
65	Basic Charge	\$ 143.00	\$0.00	\$ 143.00
66	Delivery Charge	0.13362	0.02290	0.15652
67	GAP Charge	0.00490	0.00029	0.00519
68	Total Rate	0.13852	0.02319	0.16171
69				
70	<u>Small Volume Dual Fuel-A</u>			
71	Basic Charge	\$ 160.00	(\$10.00)	\$ 150.00
72	Delivery Charge	0.09941	0.01468	0.11409
73				
74	<u>Small Volume Dual Fuel-B</u>			
75	Basic Charge	\$ 190.00	(\$10.00)	\$ 180.00
76	Delivery Charge	0.09420	0.01277	0.10697
77				
78	<u>Large Volume Dual Fuel</u>			
79	Basic Charge	\$ 700.00	\$200.00	\$ 900.00
80	Delivery Charge	0.04270	0.00764	0.05034

**PUBLIC INFORMATION**  
 Trade Secret Data has been Excised

(a)	Rate Class (b)	(c)	(d)	(e)		(g)	(h)		(i)	(j)
				Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change	
	Residential	Test-Year Units		Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue		Revenue Change
1		Customer Bills	9,048,010	\$8.0000	\$72,384,080	Customer Bills	\$9.5000	\$85,956,095		\$13,572,015
2		Total Sales	66,414,500	\$6.4867	<u>\$430,810,937</u>	Total Sales	\$6.6003	<u>\$438,355,624</u>		<u>\$7,544,687</u>
3		Total Revenue			\$503,195,017	Total Revenue		\$524,311,719		\$21,116,702
4										
5		Demand	66,414,500	\$0.7692	\$51,086,033	Demand	\$0.7692	\$51,086,033		\$0
6		Commodity	66,414,500	\$4.0048	\$265,976,790	Commodity	\$4.0048	\$265,976,790		\$0
7		<b>Cost of Gas</b>	<b>66,414,500</b>	<b>\$4.7740</b>	<b>\$317,062,823</b>	<b>Cost of Gas</b>	<b>\$4.7740</b>	<b>\$317,062,823</b>		<b>\$0</b>
8		Delivery Chrg B4 CIP	66,414,500	\$1.5993	\$106,216,710	Delivery Chrg B4 CIP	\$1.5895	\$105,565,848		-\$650,862
9		CCRC	66,414,500	\$0.0644	\$4,277,094	CCRC	\$0.1849	\$12,280,041		\$8,002,947
10		<b>Delivery Charge Total</b>	<b>66,414,500</b>	<b>\$1.6637</b>	<b>\$110,493,804</b>	<b>Delivery Charge Total</b>	<b>\$1.7744</b>	<b>\$117,845,889</b>		<b>\$7,352,085</b>
11		GAP	66,414,500	\$0.0490	\$3,254,311	GAP	\$0.0519	\$3,446,913		\$192,602
12		<b>Total Billing Rate</b>	<b>66,414,500</b>	<b>\$6.4867</b>	<b>\$430,810,937</b>	<b>Total Billing Rate</b>	<b>\$6.6003</b>	<b>\$438,355,624</b>		<b>\$7,544,687</b>
13										
14										
15										
16	Com A	Test-Year Units		Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue		Revenue Change
17		Customer Bills	381,219	\$12.0000	\$4,574,628	Customer Bills	\$15.0000	\$5,718,285		\$1,143,657
18		Total Sales	2,300,300	\$6.3043	<u>\$14,501,781</u>	Total Sales	\$6.1692	<u>\$14,191,011</u>		<u>-\$310,771</u>
19		Total Revenue			\$19,076,409	Total Revenue		\$19,909,296		\$832,886
20										
21		Demand	2,300,300	\$0.7692	\$1,769,391	Demand	\$0.7692	\$1,769,391		\$0
22		Commodity	2,300,300	\$4.0181	\$9,242,835	Commodity	\$4.0181	\$9,242,835		\$0
23		<b>Cost of Gas</b>	<b>2,300,300</b>	<b>\$4.7873</b>	<b>\$11,012,226</b>	<b>Cost of Gas</b>	<b>\$4.7873</b>	<b>\$11,012,226</b>		<b>\$0</b>
24		Delivery Chrg B4 CIP	2,300,300	\$1.4036	\$3,228,701	Delivery Chrg B4 CIP	\$1.1451	\$2,634,074		-\$594,628
25		CCRC	2,300,300	\$0.0644	\$148,139	CCRC	\$0.1849	\$425,325		\$277,186
26		<b>Delivery Charge Total</b>	<b>2,300,300</b>	<b>\$1.4680</b>	<b>\$3,376,840</b>	<b>Delivery Charge Total</b>	<b>\$1.3300</b>	<b>\$3,059,399</b>		<b>-\$317,441</b>
27		GAP	2,300,300	\$0.0490	\$112,715	GAP	\$0.0519	\$119,386		\$6,671
28		<b>Total Billing Rate</b>	<b>2,300,300</b>	<b>\$6.3043</b>	<b>\$14,501,781</b>	<b>Total Billing Rate</b>	<b>\$6.1692</b>	<b>\$14,191,011</b>		<b>-\$310,771</b>



**PUBLIC INFORMATION**  
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Rate Class				Present Rates			Proposed Rates		Revenue Change
			Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	
	SVDF A--Sales Service		[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
1		Customer Bills				Customer Bills			
2		Total Sales				Total Sales			
3		Total Revenue				Total Revenue			
4									
5		Demand				Demand			
6		Commodity				Commodity			
7		<b>Cost of Gas</b>				<b>Cost of Gas</b>			
8		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP			
9		CCRC				CCRC			
10		<b>Delivery Charge Total</b>				<b>Delivery Charge Total</b>			
11		GAP				GAP			
12		<b>Total Billing Rate</b>				<b>Total Billing Rate</b>			
13					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]
14									
15			Present Rates				Proposed Rates		Revenue Change
16	SVDF A--Market Rate		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	
17			[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
18		Customer Bills							
19		Total Sales							
20		Total Revenue							
21									
22		Demand							
23		Commodity							
24		<b>Cost of Gas</b>							
25		Delivery Chrg B4 CIP							
26		CCRC							
27		<b>Delivery Charge Total</b>							
28		GAP							
29		<b>Total Billing Rate</b>							
30					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]
31									
32			Present Rates				Proposed Rates		Revenue Change
33	SVDF A--Total Service		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	
34			[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
35		Customer Bills				Customer Bills			
36	(sum of SVDF-A-Sales Service +	Total Sales				Total Sales			
37	SVDF-A Market Rate)	Total Revenue				Total Revenue			
38					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]

**PUBLIC INFORMATION**  
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Rate Class			Present Rates	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
			Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
1	SVDF A--Transport		[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
2		Customer Bills				Customer Bills			
3		Total Sales				Total Sales			
4		Total Revenue				Total Revenue			
5									
6		Demand				Demand			
7		Commodity				Commodity			
8		<b>Cost of Gas</b>				<b>Cost of Gas</b>			
9		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP			
10		CCRC				CCRC			
11		<b>Delivery Charge Total</b>				<b>Delivery Charge Total</b>			
12		GAP				GAP			
13		Total Billing Rate				Total Billing Rate			
14					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]
15									
16									
17			Present Rates				Proposed Rates		Revenue Change
18	SVDF A--System + Transport		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
19		Customer Bills	25,500	\$ 60.00	1,625,800	Customer Bills	\$ 50.00	1,370,800	-\$255,000
20		Total Sales	9,688,000	\$5.0915	<u>46,801,928</u>	Total Sales	\$5.2383	<u>48,224,126</u>	<u>\$1,422,198</u>
21		Total Revenue			<u>\$51,278,006</u>	Total Revenue		<u>49,594,926</u>	<u>\$1,167,198</u>

**PUBLIC INFORMATION**  
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Rate Class			Present Rates	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
SVDF B--Sales Service			Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
			[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
1		Customer Bills				Customer Bills			
2		Total Sales				Total Sales			
3		Curtaiment				Curtaiment			
4		Total Revenue				Total Revenue			
5									
6		Demand				Demand			
7		Commodity				Commodity			
8		<b>Cost of Gas</b>				<b>Cost of Gas</b>			
9		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP			
10		CCRC				CCRC			
11		<b>Delivery Charge Total</b>				<b>Delivery Charge Total</b>			
12		GAP				GAP			
13		Total Billing Rate				Total Billing Rate			
14					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]
15									
16			Present Rates				Proposed Rates		Revenue Change
17	SVDF B--Market Rate		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	
18			[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
19		Customer Bills				Customer Bills			
20		Total Sales				Total Sales			
21		Total Revenue				Total Revenue			
22									
23		Demand				Demand			
24		Commodity				Commodity			
25		<b>Cost of Gas</b>				<b>Cost of Gas</b>			
26		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP			
27		CCRC				CCRC			
28		<b>Delivery Charge Total</b>				<b>Delivery Charge Total</b>			
29		GAP				GAP			
30		Total Billing Rate				Total Billing Rate			
31					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]
32									
33			Present Rates				Proposed Rates		Revenue Change
34	Total SVDF B--Service		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	
35			[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
36		Customer Bills				Customer Bills			
37		Total Sales				Total Sales			
38	(sum of SVDF-B-Sales Service +	Total Revenue				Total Revenue			
39	SVDF-B Market Rate)				... Trade Secret Data Ends ]				... Trade Secret Data Ends ]



**PUBLIC INFORMATION**  
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Rate Class			Present Rates				Proposed Rates		
			Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
1	Large Volume DF--Service		[ Trade Secret Data Begins...						
2		Customer Bills				Customer Bills			
3		Total Sales				Total Sales			
4		Curtaiment				Curtaiment			
5		Total Revenue				Total Revenue			
6									
7		Demand				Demand			
8		Commodity				Commodity			
9		<b>Cost of Gas</b>				<b>Cost of Gas</b>			
10		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP			
11		CCRC				CCRC			
12		<b>Delivery Charge Total</b>				<b>Delivery Charge Total</b>			
13		GAP				GAP			
14		<b>Total Billing Rate</b>				<b>Total Billing Rate</b>			
15					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]
16									
17	Large Volume DF--MR-Service		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
18			[ Trade Secret Data Begins...						
19		Customer Bills				Customer Bills			
20		Minimum Volume				Minimum Volume			
21		CIP Exempt Volumes				CIP Exempt Volumes			
22		Total Sales				Total Sales			
23		Curtaiment				Curtaiment			
24		Total Revenue				Total Revenue			
25									
26		Demand				Demand			
27		Commodity				Commodity			
28		<b>Cost of Gas</b>				<b>Cost of Gas</b>			
29		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP			
30		CCRC				CCRC			
31		<b>Delivery Charge Total</b>				<b>Delivery Charge Total</b>			
32		GAP				GAP			
33		<b>Total Billing Rate</b>				<b>Total Billing Rate</b>			
34					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]
35									
36	Total Large Volume DF		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
37			[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
38	Sales Service + Market Rate	Customer Bills				Customer Bills			
39		Minimum Volume				Minimum Volume			
40		CIP Exempt Volumes				CIP Exempt Volumes			
41		Total Sales				Total Sales			
42		Total Revenue				Total Revenue			
43					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]



**PUBLIC INFORMATION**  
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
			Present Rates				Proposed Rates		Revenue Change
			Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	
	Large Volume DF--Transport		[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
1		Customer Bills				Customer Bills			
2		Minimum Volume				Minimum Volume			
3		Total Sales				Total Sales			
4		Curtaiment				Curtaiment			
5		Total Revenue				Total Revenue			
6									
7		Demand				Demand			
8		Commodity				Commodity			
9		<b>Cost of Gas</b>				<b>Cost of Gas</b>			
10		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP			
11		CCRC				CCRC			
12		<b>Delivery Charge Total</b>				<b>Delivery Charge Total</b>			
13		GAP				GAP			
14		<b>Total Billing Rate</b>				<b>Total Billing Rate</b>			
15					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]
16									
17	Large Volume DF- MR- Transport		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
18			[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
19		Customer Bills				Customer Bills			
20		Minimum Volume				Minimum Volume			
21		CIP Exempt Volumes				CIP Exempt Volumes			
22		Total Sales				Total Sales			
23		Curtaiment				Curtaiment			
24		Total Revenue				Total Revenue			
25									
26		Demand				Demand			
27		Commodity				Commodity			
28		<b>Cost of Gas</b>				<b>Cost of Gas</b>			
29		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP			
30		CCRC				CCRC			
31		<b>Delivery Charge Total</b>				<b>Delivery Charge Total</b>			
32		GAP				GAP			
33		<b>Total Billing Rate</b>				<b>Total Billing Rate</b>			
34					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]
35									
36	Total Large Volume DF Transport		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
37			[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
38		Customer Bills				Customer Bills			
39		Minimum Volume				Minimum Volume			
40	(DF Transport + MR Transport)	CIP Exempt Volumes				CIP Exempt Volumes			
41		Total Sales				Total Sales			
42		Total Revenue				Total Revenue			
43					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]

CENTERPOINT ENERGY  
 CALCULATION OF PRESENT AND FINAL AUTHORIZED BILLING RATE REVENUE BY CLASS  
 AUTHORIZED \$32,943,000

Docket No. G-008/GR-13-316  
 Compliance Filing  
 Schedule A-2c, Part 2  
 Page 9 of 10

**PUBLIC INFORMATION**  
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Rate Class			Present Rates	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	Revenue Change
			Test-Year Units				Proposed Rates	Proposed Revenue	
	Large Volume Firm Transport		[ Trade Secret Data Begins...				[ Trade Secret Data Begins...		
1		Customer Bills				Customer Bills			
2		Demand Delivery				Demand Delivery			
3		CIP Exempt Volumes				CIP Exempt Volumes			
4		Total Sales				Total Sales			
5		Total Revenue				Total Revenue			
6									
7		Demand				Demand			
8		Commodity				Commodity			
9		<b>Cost of Gas</b>				<b>Cost of Gas</b>			
10		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP			
11		CCRC				CCRC			
12		<b>Delivery Charge Total</b>				<b>Delivery Charge Total</b>			
13		GAP				GAP			
14		<b>Total Billing Rate</b>				<b>Total Billing Rate</b>			
15					... Trade Secret Data Ends ]				... Trade Secret Data Ends ]
16									
17			Present Rates				Proposed Rates		Revenue Change
18	Total Large Volume Transport & Service		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	
19		Customer Bills	2,964	\$600.00	1,908,000	Customer Bills	\$800.00	2,500,800	\$592,800
20		Demand Del/Min. Vol.			8,781,733	Demand Del/Min. Vol.		8,781,733	\$0
21		CIP Exempt Vols	25,802,757			CIP Exempt Volumes			
22		Total Sales (aft Curtailment)	46,533,261	\$4.3075	<u>51,932,893</u>	Total Sales	\$4.3839	<u>53,837,701</u>	<u>\$1,904,808</u>
23		Total Revenue			<u>62,622,626</u>	Total Revenue		<u>65,120,234</u>	<u>\$2,497,608</u>

**PUBLIC INFORMATION**  
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
	<b>Rate Class</b>								
			Present Rates				Proposed Rates		Revenue Change
	<b>Total System Results</b>		Test-Year Units	Present Rates	Test-Year Revenues		Proposed Rates	Proposed Revenue	
1		<b>Customer Bills</b>	<b>9,872,556</b>		<b>\$93,317,329</b>	<b>Customer Bills</b>		<b>\$108,957,685</b>	<b>\$15,640,356</b>
2		<b>Demand Del/Min. Vol.</b>			<b>\$8,781,733</b>	<b>Demand Del/Min. Vol.</b>		<b>\$8,781,733</b>	<b>\$0</b>
3		<b>CIP Exempt Volumes</b>	<b>25,802,757</b>			<b>CIP Exempt Volumes</b>			
4		<b>Total Sales (aft Curtail)</b>	<b>159,203,861</b>		<b>\$743,294,996</b>	<b>Total Sales</b>		<b>\$760,591,953</b>	<b>\$17,296,956</b>
5		<b>Total Revenue</b>			<b>\$845,394,058</b>	<b>Total Revenue</b>		<b>\$878,331,371</b>	<b>\$32,937,312</b>
6									
7		Demand	159,203,861		\$74,038,731	Demand		\$74,038,731	\$0
8		Commodity	159,203,861		\$486,537,617	Commodity		\$486,537,617	\$0
9		<b>Cost of Gas</b>	<b>159,203,861</b>		<b>\$560,576,347</b>	<b>Cost of Gas</b>		<b>\$560,576,347</b>	<b>\$0</b>
10		Delivery Chrg B4 CIP	159,203,861		\$169,411,162	Delivery Chrg B4 CIP		\$170,354,148	\$942,986
11		CCRC	133,401,104		\$8,591,031	CCRC		\$24,665,864	\$16,074,833
12		<b>Delivery Charge Total</b>	<b>159,203,861</b>		<b>\$178,002,193</b>	<b>Delivery Charge Total</b>		<b>\$195,020,012</b>	<b>\$17,017,819</b>
13		GAP	96,254,200		\$4,716,456	GAP		\$4,995,593	\$279,137
14		Total Revenue	159,203,861		\$743,294,996	Total Billing Rate		\$760,591,953	\$17,296,956
15									
16									
17									
18			Natural Gas System Revenue		\$826,548,008			\$857,664,180	\$31,116,172
19			Transport Revenue		\$18,846,050			\$20,667,190	\$1,821,140
20			Total Revenue		\$845,394,058			\$878,331,371	\$32,937,312
21									
22			Net Margin Revenue 1/		\$284,817,711			\$317,755,023	\$32,937,312
23									
24			Volumetric Margin Revenue 2/		\$191,500,382			\$208,797,338	\$17,296,956
25									
26									
27									

1/ incl Basic, Delivery, CCRC, GAP and Demand/Min Vol

2/ incl Delivery, CCRC, GAP and Demand/Min Vol. Does NOT include Basic Charge Revenue

**CENTERPOINT ENERGY**

**REVISED TARIFFS**

Commission Order, page 61, paragraph 29, part B.

Revised tariff sheets incorporating authorized rate design decisions;

**Schedules:**

- B1: Revised tariff sheets incorporating authorized rate design decisions Revisions to original filing are shaded/deletions are line-out.
- B2. Large General Service Delivery Charges  
Large General Service Cost of Gas Recovery Factors
- B3 Derivation of Maximums and Minimums – Market Rate tariffs  
Section V, Page 11
- B4 Gas Affordability Program (GAP) Recovery Rate calculation
- B5 Conservation Improvement Program (CIP) calculation of Base Recovery Rate (CCRC).

**NOTES ON TARIFF:**

CenterPoint Energy updated several of the originally proposed tariffs since the initial filing of the Rate Case for the reasons shown below:

- Section V, Page 13 – Docket G-008/M-14-368 – proposed May 1, 2015 CIP Annual Report-update to CCRA - pending regulatory approval
- Section V, Pages 4.a, 5.a, 6.a, 14.d, 15.c, 16.d, and 18.d – added to the list of requested changes due to the expansion of customer classes included in the Revenue Decoupling (RD) Rider by Commission Order.
- Section V, Page 15.a – updated June 1, 2014 in Docket G-008/M-14-258: Daily Balancing rates
- Section V, pages 28-28.a reflect changes based on the MPUC approval in the current docket of a 3 year full decoupling pilot program to start July 2015 with annual reports due on September 1.
- Section VI, Page 5- Economic Feasibility – note that proposed changes to the cost of service factors will be filed under a separate docket concurrent to this filing. (Docket number not yet assigned.)
- Did not change Section VI, Page 25, as requested change was not approved
- Section VIII, Pages 2 and 3 – updated bill format to reflect approved rates

CenterPoint Energy

**RED-LINE TARIFF CHANGES**  
SUMMARY OF TARIFF PAGE CHANGES

Table of Contents	<u>Section I.</u>	Page 3
Technical Terms and Abbreviations	<u>Section IV.</u>	Page 2
Table of Contents	<u>Section V.</u>	Page ii
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Small Volume Commercial and Industrial Sales Service		Page 2
Large General Firm Sales Service		Page 3
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Large Volume Firm Transportation Service		Page 15
Large Volume Firm Transportation Service		Page 15.a
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Small Volume Dual Fuel Transportation Service		Page 16
Small Volume Dual Fuel Transportation Service		Page 16.a
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Large Volume Dual Fuel Transportation Service		Page 18
Large Volume Dual Fuel Transportation Service		Page 18.a
Large Volume Dual Fuel Transportation Service - NEW		Page 18.d
Gas Affordability Service Program Rider		Page 25.a
Revenue Decoupling Rider		Pages 28 -28.a
Supplied Meter Communication Rider		Page 29

Section VI.

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4.06	Advance for Construction Requirements	Page 7
7.01	Amount of Deposit	Page 17
8.02	Access to Customer Premises / Identification	Page 18
11.01	Refusal or Discontinuance of Gas Service for Non-Payment / 7) Reconnection Charge	Page 29
12.03	Company obligations before Cold Weather period	Page 35

Section VII.

**STANDARD GAS SERVICE AGREEMENTS**

Dual Fuel Sales Service Contract	Pages 1- 1.b
Dual Fuel Gas Transportation Service Agreement	Page 2
Firm Gas Transportation Service Agreement	Page 3
Market Rate Service Agreement	Page 4
Small Volume Firm/Interruptible Sales Service Agreement	Pages 5 – 5.c
Process Interruptible Sales Service Agreement	Page 6
Daily Balancing Service Agreement	Page 7-7.a

Section VIII.

**STANDARD GAS SERVICE AGREEMENTS**

Layout of Bill Form - NEW Basic, Delivery, GAP and Cost of Gas- NEW	Page 2
Layout of Bill Form – Purchased Gas Adjustment - NEW	Page 3

NOTE: CenterPoint Energy notes the following changes from the initial proposed changes:

- Section V, Pages 4.a, 5.a, 6.a, 14.d, 15.c, 16.d, and 18.d – added to the list of requested changes due to the expansion of the RD Rider by Commission Order
- Section VIII, Page 2 – Updated bill format to reflect approved rates

Changes proposed in initial request that were not approved.

Section VI.

10.05	Cancellation of the Budget Plan for Non-Payment	Page 25
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V. RATE SCHEDULES AND APPLICABLE PROVISIONS

CENTERPOINT ENERGY (CONTINUED)

**Transportation Service**

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Large Commercial/Industrial Credit Policy Rider _____	26 – 26.a
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<u>Revenue Decoupling (RD) Rider _____</u>	<u>28 – 28.a</u>
<u>Supplied Meter Communication Rider _____</u>	<u>29</u>

**Normal Gas Service Line**

A gas service pipe installed in a straight line from the gas main to a normal gas meter location.

**Notices**

Unless otherwise specified, any notice from CenterPoint Energy to a customer, or from a customer to CenterPoint Energy, may be oral or written.

A written notice from CenterPoint Energy may either be delivered or mailed to the customers' last known address. A written notice from the customer may either be delivered or mailed to CenterPoint Energy's main office, 800 LaSalle Avenue, Floor 11, P.O. Box 59038, Minneapolis, Minnesota, 55459-0038, or to any of its branch, local or regional offices.

**Person**

An individual person, firm, association, partnership, corporation, any agency or political subdivision of the federal, state or local government or any applicant or customer as herein defined.

**Premises**

The structure or structures owned or occupied by a person including the lot or land upon which they are situated and all other land owned or occupied by the persons contiguous thereto.

**Regular Construction Season**

The period beginning April 1 and ending October 31 of each year.

**Commission or PUC**

The Minnesota Public Utilities Commission

**PSC**

~~The Minnesota Public Service Commission, previous name of the present Public Utilities Commission.~~

**Date Issued**

The date the rate schedule, contract, agreement, etc. is submitted to the Commission.



**CenterPoint Energy**  
**Rate Schedules and Applicable Provisions**

**Table of Contents**

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Small Volume Commercial and Industrial Sales Service _____	2
Large General Firm Sales Service _____	3
Small Volume Dual Fuel Sales Service _____	4 - 4.a
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Large Volume Dual Fuel Sales Service _____	6 - 6.a
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Process Interruptible Sales Service Rider _____	9
New Area Surcharge Rider _____	10 - 10.c.1
Market Rate Service Rider _____	11
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**TRANSPORTATION SERVICE**

Small Volume Firm Transportation Service _____	14 - 14.d
Large Volume Firm Transportation Service _____	15 - 15.c
Small Volume Dual Fuel Transportation Service _____	16 - 16.d
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Daily Balancing Service Rider _____	21

**MISCELLANEOUS RIDERS AND ADJUSTMENTS**

Purchased Gas Adjustment Rider _____	22
Statement of Purchased Gas Adjustment _____	23
Franchise Fee Rider _____	24
Gas Affordability Program _____	25 – 25.b
Large Commercial / Industrial Credit Policy Rider _____	26 – 26.a
Conservation Enabling Rider _____	27
<u>Revenue Decoupling (RD) Rider _____</u>	<u>28 – 28.a</u>
<u>Supplied Meter Communication Rider _____</u>	<u>29</u>

**RESIDENTIAL SALES SERVICE****Availability:**

Residential Sales Service is available upon request to Residential Firm customers contingent on an adequate gas supply and distribution system capacity.

**Rate:**

MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
<del>\$8.00</del> <u>\$9.50</u>	<del>\$0.1663</del> <u>\$0.17744</u>	<del>\$0.50706</del> <u>\$0.47740</u>

**Interim Surcharge:**

~~Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference~~

**Therm Factor Adjustment:**

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

**Minimum Monthly Bill:**

When no consumption occurs during the billing month, the Monthly Basic Charge of \$8.00 will apply.

**Due Date:**

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the Automatic Bank Draft option may select a due date which is greater than five days before the next scheduled billing date.

**Late Payment Charge:**

Delinquent amounts are subject to a late payment charge of 1.5% or \$1.00, whichever is greater. No late payment charge will be applied if the delinquent amount is \$10.00 or less.

'Delinquent amount' is the portion of a customer's account representing charges for gas service past due. For customers on the Budget Plan or a deferred payment schedule, 'delinquent amount' is the lesser of the unpaid account balance or past due scheduled payments.

All payments received will be credited against the oldest outstanding account balance before application of any late payment charge. The late payment charge will be assessed on unpaid amounts at the next scheduled billing date.

**Franchise Fee:**

A franchise fee will be added to the monthly bill computed at this rate schedule for those communities that impose a franchise fee.

**Purchased Gas Adjustment Rider:**

The above rates are subject to the Purchased Gas Adjustment Rider at Section V, Page 22. Bills will be automatically increased or decreased as provided in the rate adjustment clause to reflect changes in the cost of purchased gas and fuel for supplemental gas.

**Gas Affordability Rider:**

All customer bills under this rate are subject to the adjustment provided for in the Gas Affordability Program Rider, Section V, Pages 25.-25.b.

**Conservation Improvement Adjustment Rider:**

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

**Conservation Enabling Rider:**

All customer bills under this rate are subject to the Conservation Enabling Rider, Section V, Page 27.

**Revenue Decoupling Rider:**

All customer bills under this rate are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

**SMALL VOLUME COMMERCIAL AND INDUSTRIAL SALES SERVICE**

**Availability:**

Small Volume Commercial and Industrial Sales Service is available to Commercial and Industrial firm customers whose peak day requirements are less than 2000 therms contingent on an adequate gas supply and distribution system capacity.

Customers whose daily requirements exceed 500 therms and have annual usage greater than or equal to 5000 therms that use, for reasons of price, an alternative energy supply (other than biomass energy) shall be limited to gas service under the Market Rate Service Rider for a period of one (1) year.

**Rate:**

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
Less than 1500 Therms	<del>\$12.00</del> <u>15.00</u>	<del>\$0.44680</del> <u>13300</u>	<del>\$0.50760</del> <u>47873</u>
Equal to or greater than 1500 Therms and less than 5000 Therms	<del>\$18.00</del> <u>21.00</u>	<del>\$0.44422</del> <u>15649</u>	<del>\$0.50760</del> <u>47873</u>
Greater than or equal to 5000 Therms	\$43.00	<del>\$0.43362</del> <u>15652</u>	<del>\$0.50520</del> <u>47498</u>

**Interim Surcharge:**

- ~~Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~
- ~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

**Therm Factor Adjustment:**

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

**Minimum Monthly Bill:**

When no consumption occurs during the billing month, the Monthly Basic Charge applicable as listed above will apply.

**Due Date:**

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the Automatic Bank Draft option may select a due date which is greater than five days before the next scheduled billing date.

**Late Payment Charge:**

Delinquent amounts are subject to a late payment charge of 1.5% or \$1.00, whichever is greater. No late payment charge will be applied if the delinquent amount is \$10.00 or less.

'Delinquent amount' is the portion of a customer's account representing charges for gas service past due. For customers on the Budget Plan or a deferred payment schedule, 'delinquent amount' is the lesser of the unpaid account balance or past due scheduled payments.

All payments received will be credited against the oldest outstanding account balance before application of any late payment charge. The late payment charge will be assessed on unpaid amounts at the next scheduled billing date.

**Franchise Fee:**

A franchise fee will be added to the monthly bill computed at this rate schedule for those communities that impose a franchise fee.

**Purchased Gas Adjustment Rider:**

The above rates are subject to the Purchased Gas Adjustment Rider at Section V, Page 22. Bills will be automatically increased or decreased as provided in the rate adjustment clause to reflect changes in the cost of purchased gas and fuel for supplemental gas.

**Gas Affordability Rider:**

All customer bills under this rate are subject to the adjustment provided for in the Gas Affordability Program Rider, Section V, Pages 25.-25.b.

**Conservation Improvement Adjustment Rider:**

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

**Conservation Enabling Rider:**

All customer bills under this rate are subject to the Conservation Enabling Rider, Section V, Page 27.

**Revenue Decoupling Rider:**

All customer bills under this rate are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

## LARGE GENERAL FIRM SALES SERVICE

### Availability:

Large General Firm Sales Service is available to Commercial and Industrial firm customers whose peak day requirements are greater than or equal to 2000 therms, contingent on an adequate gas supply and distribution system capacity. Customers must provide telemetering or agree to have telemetering installed at the customer's expense.

Customers that use, for reasons of price, an alternative energy supply (other than biomass energy) shall be limited to gas service under the Market Rate Service Rider for a period of one (1) year.

### Rate:

	MONTHLY BASIC CHARGE	DELIVERY CHARGE	COST OF GAS
	\$ <del>600.00</del> <u>800.00</u>		
Demand charge (of billing demand)		\$0.42539	\$0.53259
Commodity charge (per therm)		\$0. <del>042700</del> <u>5034</u>	\$0. <del>42330</del> <u>38805</u>

### Interim Surcharge:

~~Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

### Therm Factor Adjustment:

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

### Minimum Monthly Bill:

When no consumption occurs during the billing month, the Monthly Basic Charge plus the Monthly Demand Charge will apply.

### Billing Demand:

The demand in therms for billing purposes shall be the customer's highest daily usage during the preceding calendar year.

### Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the Automatic Bank Draft option may select a due date which is greater than five days before the next scheduled billing date.

### Late Payment Charge:

Delinquent amounts are subject to a late payment charge of 1.5% or \$1.00, whichever is greater. No late payment charge will be applied if the delinquent amount is \$10.00 or less.

'Delinquent amount' is the portion of a customer's account representing charges for gas service past due. For customers on the Budget Plan or a deferred payment schedule, 'delinquent amount' is the lesser of the unpaid account balance or past due scheduled payments.

All payments received will be credited against the oldest outstanding account balance before application of any late payment charge. The late payment charge will be assessed on unpaid amounts at the next scheduled billing date.

### Franchise Fee:

A franchise fee will be added to the monthly bill computed at this rate schedule for those communities that impose a franchise fee.

### Purchased Gas Adjustment Rider:

The above rates are subject to the Purchased Gas Adjustment Rider at Section V, Page 22. Bills will be automatically increased or decreased as provided in the rate adjustment clause to reflect changes in the cost of purchased gas and fuel for supplemental gas.

### Gas Affordability Rider:

All customer bills under this rate are subject to the adjustment provided for in the Gas Affordability Program Rider, Section V, Pages 25.-25.b.

### Conservation Improvement Adjustment Rider:

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

### Revenue Decoupling Rider:

All customer bills under this rate with the exception of customers taking Market Rate Service, (Section V, Page 11) are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

**SMALL VOLUME DUAL FUEL SALES SERVICE**

**Availability:**

Small Volume Dual Fuel Sales Service is available to commercial and industrial customers on an interruptible basis with requirements of 25 Therms an hour or more and peak day requirements are less than 2,000 Therms.

Customers that use, for reasons of price, an alternative energy supply (other than biomass energy) shall be limited to gas service under the Market Rate Service Rider for a period of one (1) year.

**Rate:**

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
Less than 120,000 Therms	\$ <del>60.00</del> <u>50.00</u>	\$0. <del>09944</del> <u>11409</u>	\$0. <del>44130</del> <u>40974</u>
Greater than or equal to 120,000 Therms	\$ <del>90.00</del> <u>80.00</u>	\$0. <del>09420</del> <u>10697</u>	\$0. <del>44130</del> <u>40974</u>

**Interim Surcharge:**

~~Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

**Therm Factor Adjustment:**

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

**Special Conditions:**

- 1) Customer must have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment. Customer further agrees to curtail the use of gas on one (1) hour's notice when requested by CenterPoint Energy.
- 2) If a customer fails to discontinue use of gas within one hour of being requested to do so by CenterPoint Energy, the customer will be deemed to have taken Unauthorized Gas. The penalty for unauthorized use of gas will be:
  - a) For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$1.00 per Therm.
  - b) For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.

## SMALL VOLUME DUAL FUEL SALES SERVICE (CONTINUED)

### Special Conditions (continued):

For purposes of this provision, the gas year is the twelve month period beginning November 1 each year.

Further, CenterPoint Energy shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after being requested to do so.

- 3) Customers who purchase gas for use in their own compressor facilities for compressed natural gas motor fuel must have a dual fuel burning capability for fleet vehicles using compressed natural gas, and must have the ability to curtail the use of gas for this purpose on one (1) hour's notice when required to do so by CenterPoint Energy.
- 4) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing service to the customer. This investment shall remain the property of CenterPoint Energy.

### Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the Automatic Bank Draft option may select a due date which is greater than five days before the next scheduled billing date.

### Late Payment Charge:

Delinquent amounts are subject to a late payment charge of 1.5% or \$1.00, whichever is greater. No late payment charge will be applied if the delinquent amount is \$10.00 or less.

All payments received will be credited against the oldest outstanding account balance before application of any late payment charge. The late payment charge will be assessed on unpaid amounts at the next scheduled billing date.

### Franchise Fee:

A franchise fee will be added to the monthly bill computed at this rate schedule for those communities that impose a franchise fee.

### Purchased Gas Adjustment Rider:

The above rate is subject to the Purchased Gas Adjustment Rider at Section V, Page 22. Bills will be automatically increased or decreased as provided in the rate adjustment clause to reflect changes in the cost of purchased gas.

### Conservation Improvement Adjustment Rider:

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

### Revenue Decoupling (RD) Rider:

All customers under this rate are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

### Contract:

Customers must sign a separate contract for Small Volume Dual Fuel Sales Service to each delivery point, with a minimum contract term of one (1) year.

## SMALL VOLUME FIRM / INTERRUPTIBLE SALES SERVICE

### Availability

Small Volume Firm / Interruptible Sales Service is available to commercial and industrial customers with requirements of 25 Therms an hour or more and peak day requirements less than 2,000 Therms, contingent on an adequate gas supply and distribution system capacity. This rate schedule shall apply to gas service consisting of a base level of firm gas volumes, supplemented by interruptible volumes.

Customers that use, for reasons of price, an alternative energy supply (other than biomass energy) shall be limited to gas service under the Market Rate Service Rider for a period of one (1) year.

### Rate

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
Less than 120,000 Therms	<del>\$60.00</del> <u>\$50.00</u>		
Firm Volumes		\$0. <del>43362</del> <u>15652</u>	\$0. <del>5052047498</del> <u>498</u>
Interruptible Volumes		\$0. <del>099441</del> <u>11409</u>	\$0. <del>4413040974</del> <u>974</u>
Greater than or equal to 120,000 Therms	<del>\$90.00</del> <u>\$80.00</u>		
Firm Volumes		\$0. <del>43362</del> <u>15652</u>	\$0. <del>5052047498</del> <u>498</u>
Interruptible Volumes		\$0. <del>09420</del> <u>10697</u>	\$0. <del>4413040974</del> <u>974</u>

### ~~Interim Surcharge:~~

~~Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

### Therm Factor Adjustment:

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

### Special Conditions Firm Volumes:

- Customer will elect a base level of daily firm service on or before September 1 of each year. This base level becomes effective with the subsequent November billing month and remains in effect for one year. The minimum base level of daily firm service will be 25 therms.

The first volumes through the meter, on a daily basis, are firm volumes until the base level of firm is reached. All volumes used after the base level is reached are interruptible volumes.

### Special Conditions Interruptible Volumes:

- Customer must have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment. Customer further agrees to curtail the use of gas on one (1) hour's notice when requested by CenterPoint Energy.
- If a customer fails to discontinue use of gas within one hour of being requested to do so by CenterPoint Energy, the customer will be deemed to have taken Unauthorized Gas. The penalty for unauthorized use of gas will be:
  - For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$1.00 per Therm.
  - For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.
    - For purposes of this provision, the gas year is the twelve-month period beginning November 1 each year.
  - Further, CenterPoint Energy shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after being requested to do so.

**Special Conditions Firm and Interruptible**

Customer must install telemetry equipment. Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing service to the customer. This investment shall remain the property of CenterPoint Energy.

**Due Date**

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the Automatic Bank Draft option may select a due date which is greater than five days before the next scheduled billing date.

**Late Payment Charge**

Delinquent amounts are subject to a late payment charge of 1.5% or \$1.00, whichever is greater. No late payment charge will be applied if the delinquent amount is \$10.00 or less.

All payments received will be credited against the oldest outstanding account balance before application of any late payment charge. The late payment charge will be assessed on unpaid amounts at the next scheduled billing date.

**Franchise Fee**

A franchise fee will be added to the monthly bill computed at this rate schedule for those communities that impose a franchise fee.

**Purchased Gas Adjustment Rider**

The above rate is subject to the Purchased Gas Adjustment Rider at Section V, Page 22. Bills will be automatically increased or decreased as provided in the rate adjustment clause to reflect changes in the cost of purchased gas.

**Conservation Improvement Adjustment Rider**

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

**Revenue Decoupling Rider:**

All customer bills under this rate are subject to the Revenue Decoupling Rider, Section V, Page 28.

**Contract**

Customers must sign a separate contract for Small Volume Firm/Interruptible Sales Service to each delivery point, with a minimum contract term of one (1) year.



## LARGE VOLUME DUAL FUEL SALES SERVICE

### Availability:

Large Volume Dual Fuel Sales Service is available, on an interruptible basis, to commercial and industrial customers whose peak day requirements exceed 1,999 Therms, contingent on an adequate gas supply and distribution system capacity.

Customers that use, for reasons of price, an alternative energy supply (other than biomass energy) shall be limited to gas service under the Market Rate Service Rider for a period of one (1) year.

### Rate:

MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
<del>\$600.00</del> <u>\$00.00</u>	<del>\$0.0427</del> <u>\$0.05034</u>	<del>\$0.4233</del> <u>\$0.38805</u>

### Interim Surcharge:

~~Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

### Therm Factor Adjustment:

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

### Special Conditions:

- 1) Customer must have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment. Customer further agrees to curtail the use of gas on one (1) hour's notice when requested by CenterPoint Energy.
- 2) If a customer fails to discontinue use of gas within one hour of being requested to do so by CenterPoint Energy, the customer will be deemed to have taken Unauthorized Gas. The penalty for unauthorized use of gas will be:
  - a. For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$1.00 per Therm.
  - b. For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.

For purposes of this provision, the gas year is  
 the twelve month period beginning November 1 each year.

Further, CenterPoint Energy shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after being requested to do so.

## LARGE VOLUME DUAL FUEL SALES SERVICE (CONTINUED)

### Special Conditions (continued):

- 3) Customers who purchase gas for use in their own compressor facilities for compressed natural gas motor fuel must have a dual fuel burning capability for fleet vehicles using compressed natural gas, and must have the ability to curtail the use of gas for this purpose on one (1) hour's notice when required to do so by CenterPoint Energy.
- 4) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing service to the customer. This investment shall remain the property of CenterPoint Energy.

### Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the Automatic Bank Draft option may select a due date which is greater than five days before the next scheduled billing date.

### Late Payment Charge:

Delinquent amounts are subject to a late payment charge of 1.5% or \$1.00, whichever is greater. No late payment charge will be applied if the delinquent amount is \$10.00 or less.

All payments received will be credited against the oldest outstanding account balance before application of any late payment charge. The late payment charge will be assessed on unpaid amounts at the next scheduled billing date.

### Franchise Fee:

A franchise fee will be added to the monthly bill computed at this rate schedule for those communities that impose a franchise fee.

### Purchased Gas Adjustment Rider:

The above rates are subject to the Purchased Gas Adjustment Rider at Section V, Page 22. Bills will be automatically increased or decreased as provided in the rate adjustment clause to reflect changes in the cost of purchased gas.

### Conservation Improvement Adjustment Rider:

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

### Revenue Decoupling Rider:

All customer bills under this rate with the exception of customers taking Market Rate Service, (Section V, Page 11) are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

### Contract:

Customers must sign a separate contract for Large Volume Dual Fuel Sales Service to each delivery point, with a minimum contract term of one (1) year.

## MARKET RATE SERVICE RIDER

### AVAILABILITY:

Available to any customer who either receives interruptible service or whose daily requirements exceed 500 Therms and maintains or plans on acquiring the capability to switch to alternate energy supplies or service, except indigenous biomass energy supplies, at comparable prices from a supplier not regulated by the Commission. Such customer is deemed to be subject to "effective competition."

### Rate:

	BASIC CHARGE	DELIVERY CHARGE (PER THERM)	
		MINIMUM	MAXIMUM
Small Volume C/I Sales Service Annual usage greater or equal to 5,000 therms	\$43.00	\$0.00500	\$0. <del>2622430804</del>
Small Volume C/I Transportation Serv. Annual usage greater or equal to 5,000 therms	\$143.00	\$0.00500	\$0. <del>2622430804</del>
Large General Firm Sales Service	<del>\$600.00800.00</del>		
Demand <sup>(1)</sup>		\$0.0000	\$0.85078
Commodity		\$0.00500	\$0. <del>0804009568</del>
Large General Firm Transportation Serv.	<del>\$700.00900.00</del>		
Demand <sup>(1)</sup>		\$0.0000	\$0.85078
Commodity		\$0.00500	\$0. <del>0804009568</del>
Small Vol. Dual Fuel Sales Service Annual usage less than 120,000 therms	<del>\$60.0050.00</del>	\$0.00500	\$0. <del>4938222318</del>
Annual usage greater than or equal to 120,000 therms	<del>\$90.0080.00</del>	\$0.00500	\$0. <del>4834020894</del>
Small Vol. Dual Fuel Transportation Serv. Annual usage less than 120,000 therms	\$160.00	\$0.00500	\$0. <del>4938222318</del>
Annual usage greater than or equal to 120,000 therms	\$190.00	\$0.00500	\$0. <del>4834020894</del>
Large Vol. Dual Fuel Sales Service	<del>\$600.00800.00</del>	\$0.00500	\$0. <del>0804009568</del>
Large Vol. Dual Fuel Transportation Serv.	<del>\$700.00900.00</del>	\$0.00500	\$0. <del>0804009568</del>

(1) Per therm of Billing Demand

### Interim Surcharge:

Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.

If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.

Cost of Gas as listed on the applicable Sales or Transportation Service tariff.

### Special Conditions:

- 1) Any customer receiving service under this Rider must accept all gas service according to the terms and conditions contained herein and under the applicable Sales or Transportation Service tariff. This Rider supersedes the tariff only where the two are in conflict; in all other cases, the terms of the tariff shall apply.
- 2) Any customer changing from this Rider to the applicable Sales or Transportation Service tariff must notify CenterPoint Energy in writing (facsimile acceptable) of the proposed change at least thirty (30) days in advance.
- 3) CenterPoint Energy will notify customers a minimum of two (2) days (or less if agreed to by both parties) in advance of implementation of a change in negotiated rates.
- 4) In the event a customer receives service from CenterPoint Energy during a period for which there is no explicit price agreement, for any gas received the customer will pay the maximum delivery charge as described above, plus the applicable basic charge and cost of gas.
- 5) Customers must enter into this service for a minimum of one (1) year.

Minimum and Maximum delivery charge (per Therm) rates do not include applicable Conservation Cost Recovery Charge (CCRC), Conservation Cost Recovery Adjustment (CCRA), or Gas Affordability Program (GAP) charges.

**CONSERVATION IMPROVEMENT PROGRAM ADJUSTMENT RIDER**

**Applicability:**

Applicable to bills for gas and/or transportation service provided under the Company’s retail rate schedules.

Exemptions are as follows:

“Large Energy Facility”, as defined in Minn. Stat. 216B.2421 customers shall receive a monthly exemption from conservation improvement program (CIP) charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Upon exemption from conservation program charges, the “Large Energy Facility” customers can no longer participate in any utility’s Energy Conservation Improvement Program.

“Large Customer Facility” customers that have been exempted from the Company’s CIP charges pursuant to Minn. Stat. 216B.241, subd. 1a (b) shall receive a monthly exemption from CIP charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Such monthly exemption will be effective beginning January 1 of the year following the grant of exemption. Upon exemption from the conservation program charges, the “Large Customer Facility” customers can no longer participate in CenterPoint Energy’s Energy Conservation Improvement Program.

Minnesota Stat. 216B.241, subd. 1a(c) which allows exemption of certain commercial gas customers does not apply to CenterPoint Energy because the Company’s customer count exceeds the 600,000 level set in statute.

**Rate:**

BASE CHARGE PER THERM (CCRC)	ADJUSTMENT (CCRA)
\$0.018 <del>6649</del>	\$0.00659

**Rider:**

A Conservation Improvement Program Adjustment which shall be included on each non-exempt customer’s monthly bill. The applicable factor shall be multiplied by the customer’s monthly billing in Therms for gas service before any adjustments, surcharges or sales tax.

**Determination of Conservation Cost Recovery Charge (CCRC or Base Charge per Therm):**

The CCRC is the amount included in base rates dedicated to the recovery of CIP costs as approved by the Minnesota Public Utilities Commission in the Company’s last general rate case. The CCRC is approved and applied on a per therm basis by dividing test-year CIP expenses by the test-year sales volumes (net of CIP-exempt volumes). All revenue received from the CCRC shall be credited to the CIP tracker account.

**SMALL VOLUME FIRM TRANSPORTATION SERVICE**

**Availability:**

Available to any firm customer whose peak day requirements are less than 2000 therms for the delivery of gas owned by the customer from a CenterPoint Energy Town Border Station(s) to a meter location on the customer's premise.

**Rate:**

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS DEMAND CHARGE
Less than 1500 Therms	<del>\$112.00</del> <u>\$115.00</u>	<del>\$0.44689</del> <u>\$0.43300</u>	\$0.07692
Equal to or greater than 1500 Therms and less than 5000 Therms	<del>\$118.00</del> <u>\$121.00</u>	<del>\$0.44422</del> <u>\$0.45649</u>	\$0.07692
Greater than or equal to 5000 Therms	\$143.00	<del>\$0.43362</del> <u>\$0.45652</u>	\$0.07692

**Interim Surcharge:**

~~Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

**Special Conditions:**

- ~~1) CenterPoint Energy may, at its option, take title to transportation gas, if necessary to arrange interstate pipeline transportation to CenterPoint Energy's Town Border Station(s).~~
- ~~2) 1) Customer will provide CenterPoint Energy's Throughput Management Transportation Services Department in writing (or by facsimile/electronic communication) with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.~~
- ~~3) 2) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.~~
- ~~4) Customer may choose to purchase firm transportation service under CenterPoint Energy's firm transportation (FT) rate, or secure their own firm pipeline transportation with the following provisions:~~
  - ~~a. If customers choose to purchase CenterPoint Energy's FT rate, the demand charge per therm is as set forth on the tariff.~~
- ~~5) 3) If customers choose to secure their own firm pipeline transportation, If customer is an existing customer, taking services under the firm sales service tariff, The customer is responsible for stranded Cost of Gas Demand Charge shown above. However, CenterPoint Energy would forego the gas-related portion of the demand charge per therm Cost of Gas Demand Charge as set forth on the tariff above, provided that CenterPoint Energy can either utilize or reduce its transportation obligations such that there will be no stranded cost for the remaining firm service customers.~~

**Therm Factor Adjustment:**

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

## SMALL VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)

### Nomination:

Customer requesting volumes to flow on the first day of any month must directly advise CenterPoint Energy's Transportation Services Department in writing (by facsimile or email), by 9:00 am. Central standard time, five (5) working days prior to the end of the preceding month, of the initial daily volumes to be delivered on its behalf from the Town Border Station to the customer's premise.

Customer requesting changes to scheduled deliveries commencing at 9:00 a.m. central clock time (CCT), must directly advise CenterPoint Energy's Transportation Services Throughput Management Department in writing (by facsimile), by 9:00 a.m. CCT, on the preceding day (24 hours in advance), of the volumes to be delivered on its behalf from the Town Border Station to the customer's premise. CenterPoint Energy will utilize reasonable efforts to accommodate changes requested after the deadline.

Customer will provide CenterPoint Energy's Transportation Services Throughput Management Department with a concurrent copy of all nominations made to the transporting pipeline for deliveries nominated to CenterPoint Energy's Town Border Station(s).

### Balancing:

To maintain the operational integrity of CenterPoint Energy's distribution system, the customer is responsible for:

- 1) scheduling deliveries which accurately reflect customer's expected total daily consumption; and
- 2) balancing deliveries to CenterPoint Energy's system with volumes consumed at the delivery point.

#### Daily Balancing

When daily volumes of natural gas delivered on behalf of customer to CenterPoint Energy's Town Border station receipt points or natural gas received at customer's designated delivery point differ, above or below daily scheduled volumes, the customer is out-of-balance. It is the customer's sole responsibility to maintain balance between nominated volumes and actual use, however, CenterPoint Energy reserves the right to adjust or refuse nominations to maintain balance.

Volume differences between daily receipts and deliveries shall be accumulated and recorded in customer's account. CenterPoint Energy shall determine the imbalance quantity for each day on a therm basis. CenterPoint Energy shall then account for the imbalance volumes as follows:

**SMALL VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)****Purchased Gas Adjustment Rider:**

The above rates are subject to the Purchased Gas Adjustment Rider at Section V, page 22. Bills will be automatically increased or decreased as provided in the rate adjustment clause to reflect changes in the cost of purchased gas and fuel for supplemental gas.

**Gas Affordability Rider:**

All customer bills under this rate are subject to the adjustment provided for in the Gas Affordability Program Rider, Section V, pages 25-25.b.

**Conservation Improvement Adjustment Rider:**

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

**Revenue Decoupling Rider:**

All customer bills under this rate are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

**Contract:**

Customer must sign a separate contract for Transportation Service to each delivery point. The minimum contract for Firm Transportation Service is one (1) year.

Customer must advise CenterPoint Energy six (6) months in advance, in writing, when it wishes to cancel a contract for Firm Transportation Service.

Customer is obligated to provide a copy of all contracts used to procure and deliver natural gas to CenterPoint Energy's Town Border Station(s). Such contracts must be with suppliers who can demonstrate actual firm gas supplies under contract. Customer is not required to provide price information.

## LARGE VOLUME FIRM TRANSPORTATION SERVICE

### Availability:

Available to any firm customer whose peak day requirements are greater than or equal to 2000 therms for the delivery of gas owned by the customer from a CenterPoint Energy Town Border Station(s) to a meter location on the customer's premise.

### Rate:

Monthly Basic Charge ~~\$700.00~~ \$900.00

	DELIVERY CHARGE	COST OF GAS
Demand charge (of billing demand)	\$0.42539	\$0.53259
Commodity charge (per therm)	<del>\$0.042700</del> <u>\$0.05034</u>	

### Interim Surcharge:

~~Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

### Special Conditions:

- ~~1) CenterPoint Energy may, at its option, take title to transportation gas, if necessary to arrange interstate pipeline transportation to CenterPoint Energy's Town Border Station(s).~~
- ~~2) 1) Customer will provide CenterPoint Energy's Transportation Services Throughput Management Department in writing (by facsimile) or by electronic communication with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.~~
- ~~3) 2) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.~~
- ~~4) Customer may choose to purchase firm transportation service under CenterPoint Energy's firm transportation (FT) rate, or secure their own firm pipeline transportation with the following provisions:
 
  - ~~a. If the customers choose to purchase CenterPoint Energy's FT rate, the demand charge per therm is as set forth on the tariff.~~~~
- ~~4. 3) If customers choose to secure their own firm pipeline transportation, if customer is an existing customer taking service under the firm sales service tariff, customer is responsible for the stranded Cost of Gas Demand Charge shown above. However, CenterPoint Energy would forego the gas-related portion of the demand charge per therm as set forth on the tariff, provided that CenterPoint Energy can either utilize or reduce its transportation obligations such that there will be no stranded cost for the remaining firm service customers.~~

### Therm Factor Adjustment:

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

### Minimum Monthly Bill:

When no consumption occurs during the billing month, the basic monthly charge applicable as listed above plus the Monthly Demand Charge will apply.

### Billing Demand:

The demand in therms for billing purposes shall be the customers' highest daily usage during the preceding calendar year.

### Nomination:

Customer requesting volumes to flow on the first day of any month must directly advise CenterPoint Energy's Transportation Services Throughput Management Department in writing (by facsimile or email), by 9:00 a.m. central standard time, five (5) working days prior to the end of the preceding month, of the initial daily volumes to be delivered on its behalf from the Town Border Station to the customer's premise.



## LARGE VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)

### Nomination ~~(continued)~~:

Customer requesting changes to scheduled deliveries commencing at 9:00 a.m. central clock time (CCT), must directly advise CenterPoint Energy's ~~Throughput Management~~ <sup>Transportation Services</sup> Department in writing (~~by facsimile or electronic communication~~), by 9:00 a.m. CCT on the preceding day (24 hours in advance), of the volumes to be delivered on its behalf from the Town Border Station to the customer's premise. CenterPoint Energy will utilize reasonable efforts to accommodate changes requested after the deadline.

Customer will provide CenterPoint Energy's ~~Throughput Management~~ <sup>Transportation Services</sup> Department with a concurrent copy of all nominations made to the transporting pipeline for deliveries nominated to CenterPoint Energy's Town Border Station(s).

### Balancing:

To maintain the operational integrity of CenterPoint Energy's distribution system, the customer is responsible for:

- 1) scheduling deliveries which accurately reflect customer's expected total daily consumption; and
- 2) balancing deliveries to CenterPoint Energy's system with volumes consumed at the delivery point.

### Daily Balancing

When daily volumes of natural gas delivered on behalf of customer to CenterPoint Energy's Town Border station receipt points or natural gas received at customer's designated delivery point differ, above or below daily nominated scheduled volumes, the customer is out-of-balance. It is the customer's sole responsibility to maintain balance between nominated volumes and actual use, however, CenterPoint Energy reserves the right to adjust or refuse nominations to maintain balance.

Volume differences between daily receipts and deliveries shall be accumulated and recorded in customer's account. CenterPoint Energy shall determine the imbalance quantity for each day on a therm basis. CenterPoint Energy shall then account for the imbalance volumes as follows:

- 1) Non-SUL/SOL/CRITICAL DAYS – When a customer's scheduled deliveries to the company differ from daily consumption by more than 5%, the customer will be charged Northern Natural Gas Company's maximum TI rate per therm for each imbalance therm. The current maximum TI rate is:

November – March	\$ .06086 per therm
April – October	\$ .02507 per therm
- 2) SUL Days – On days in which Northern Natural Gas Company declares a System Under run Limitation (SUL), the 5% daily imbalance tolerance will be suspended and a daily charge of \$.10 per therm for each therm of consumption less than the confirmed nomination will be charged. If consumption is greater than the confirmed nomination, there is no charge.
- 3) SOL Days – On days in which Northern Natural Gas Company declares a System Overrun Limitation (SOL), the 5% of daily imbalance tolerance will be suspended and daily charges for each therm of consumption greater than the confirmed nomination will apply as follows:
  - a. For consumption up to 105% of confirmed nomination, \$.10 per therm.
  - b. For consumption greater than 105% of confirmed nomination, \$1.090 per therm. If consumption is less than the confirmed nomination, there is no charge.
- 4) Critical Days – On days in which Northern Natural Gas Company declares a Critical Day, a charge equal to the daily delivery variance charge (DDVC) of the pipeline will apply to those volumes in excess of the confirmed nomination level. Currently this charge is as much as \$11.30 per therm.

## LARGE VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)

### Failure of Transportation Supply:

Such gas will be charged to the customer at the highest incremental supply cost for the day plus the commodity cost of interruptible transportation plus applicable Daily Balancing Fees. If CenterPoint Energy is unable to obtain a replacement for the customer's transportation supply, the customer will be given the option to discontinue the use of gas or to incur the penalty associated with the unauthorized use of gas.

### Penalty for Unauthorized gas Use:

If a customer fails to discontinue use of gas within one hour of being requested to do so by CenterPoint Energy, the customer will be deemed to have taken Unauthorized Gas. The penalty for unauthorized use of gas will be:

- 1) For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$1.00 per Therm.
- 2) For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$2.00 per Therm.

For purposes of this provision, the gas year is the twelve month period beginning November 1 each year.

Further, CenterPoint Energy shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after being requested to do so.

### Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the Automatic Bank Draft option may select a due date which is greater than five days before the next scheduled billing date.

### Late Payment Charge:

Delinquent amounts are subject to a late payment charge of 1.5% or \$1.00, whichever is greater. No late payment charge will be applied if the delinquent amount is \$10.00 or less.

All payments received will be credited against the oldest outstanding account balance before application of any late payment charge. The late payment charge will be assessed on unpaid amounts at the next scheduled billing date.

### Franchise Fee:

A franchise fee will be added to the monthly bill computed at this rate schedule for those communities that impose a franchise fee.

### Purchased Gas Adjustment Rider:

The above rates are subject to the Purchased Gas Adjustment Rider at Section V, page 22. Bills will be automatically increased or decreased as provided in the rate adjustment clause to reflect changes in the cost of purchased gas and fuel for supplemental gas.

### Gas Affordability Rider:

All customer bills under this rate are subject to the adjustment bills provided for in the Gas Affordability Program Rider, Section V, pages 25-25.b.

### Conservation Improvement Adjustment Rider:

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

### Revenue Decoupling Rider:

All customer bills under this rate with the exception of customers taking Market Rate Service. (Section V, Page 11) are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

### Contract:

Customer must sign a separate contract for Transportation Service to each delivery point. The minimum contract for Firm Transportation Service is one (1) year.

Customer must advise CenterPoint Energy six (6) months in advance, in writing, when it wishes to cancel a contract for Firm Transportation Service.

Customer is obligated to provide a copy of all contracts used to procure and deliver natural gas to CenterPoint Energy's Town Border Station(s). Such contracts must be with suppliers who can demonstrate actual firm gas supplies under contract. Customer is not required to provide price information.

## SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE

### Availability:

Available to any customer whose peak day requirements are less than 2,000 Therms on an interruptible basis for the delivery of gas owned by the customer from a CenterPoint Energy Town Border Station(s) to a meter location on the customer's premise. Delivery is contingent on adequate distribution system capacity.

Customers that use, for reasons of price, an alternative energy supply (other than biomass energy) may be limited to gas service under the Market Rate Service Rider for a period of one (1) year.

### Rate:

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM
Less than 120,000 Therms	<del>\$160.00</del> <u>150.00</u>	<del>\$0.0994</del> <u>11409</u>
Equal to or greater than 120,000 Therms	<del>\$190.00</del> <u>180.00</u>	<del>\$0.0942</del> <u>10697</u>

### Interim Surcharge:

~~Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

### Special Conditions:

- 1) Customer must have arranged for the purchase of gas other than CenterPoint Energy's pipeline supply for its delivery to a CenterPoint Energy Town Border Station(s). ~~CenterPoint Energy may, at its option, take title to transportation gas, if necessary to arrange interstate pipeline transportation to CenterPoint Energy's Town Border Station(s).~~
- 2) Customer will provide CenterPoint Energy's Transportation Services Throughput Management Department in writing (by facsimile) with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.
- 3) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.
- 4) Customer must have and maintain adequate standby facilities and have available sufficient fuel supply to maintain operations during periods of curtailment.
- 5) Customer agrees to curtail the use of gas transported hereunder, within one (1) hour when requested by CenterPoint Energy.

### Therm Factor Adjustment:

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

## SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE (CONTINUED)

### Nomination:

Customer requesting volumes to flow on the first day of any month must directly advise CenterPoint Energy's Transportation Services Department in writing (by facsimile or email), by 9:00 a.m. central standard time, five (5) working days prior to the end of the preceding month, of the initial daily volumes to be delivered on its behalf from the Town Border Station to the customer's premise.

Customer requesting nomination changes commencing at 9:00 a.m. central clock time (CCT), must directly advise CenterPoint Energy's ~~Transportation Services~~ Throughput Management Department in writing (by facsimile), by 9:00 a.m. on the preceding day (24 hours in advance), of the volumes to be delivered on its behalf from the Town Border Station to the customer's premise. CenterPoint Energy will utilize reasonable efforts to accommodate changes requested after the deadline.

Customer will provide CenterPoint Energy's Transportation Services Throughput Management Department with a concurrent copy of all nominations made to the transporting pipeline for deliveries nominated to CenterPoint Energy's Town Border Station(s).

### Balancing:

To maintain the operational integrity of CenterPoint Energy's distribution system, the customer is responsible for:

- 1) scheduling deliveries which accurately reflect customer's expected total daily consumption; and
- 2) balancing deliveries to CenterPoint Energy's system with volumes consumed at the delivery point.

#### Daily Balancing

When daily volumes of natural gas delivered on behalf of customer to CenterPoint Energy's Town Border station receipt points or natural gas received at customer's designated delivery point differ, above or below daily scheduled volumes, the customer is out-of-balance. It is the customer's sole responsibility to maintain balance between nominated volumes and actual use, however, CenterPoint Energy reserves the right to adjust or refuse nominations to maintain balance.

Volume differences between daily receipts and deliveries shall be accumulated and recorded in customer's account. CenterPoint Energy shall determine the imbalance quantity for each day on a therm basis. CenterPoint Energy shall then account for the imbalance volumes as follows:

**SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE (CONTINUED)****Franchise Fee:**

A franchise fee will be added to the monthly bill computed at this rate schedule for those communities that impose a franchise fee.

**Conservation Improvement Adjustment Rider:**

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

**Revenue Decoupling Rider:**

All customer bills under this rate are subject to the Revenue Decoupling (RD) Rider, Section V, Pages 28-28.a.

**Contract:**

Customer must sign a separate contract for transportation service to each delivery point. The minimum contract term for Small Volume Dual Fuel Transportation Service is thirty (30) days.

Customer must advise CenterPoint Energy five (5) days in advance in writing when it wishes to cancel a contract for Small Volume Dual Fuel Transportation Service.

Customer is obligated to provide a copy of all contracts used to procure and deliver natural gas to CenterPoint Energy's Town Border Station(s). Customer is not required to provide price information.

## LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE

### Availability:

Available to any customer whose peak day requirements exceed 1,999 Therms on an interruptible basis for the delivery of gas owned by the customer from a CenterPoint Energy Town Border Station(s) to a meter location on the customer's premise. Delivery is contingent on adequate distribution system capacity.

Customers that use, for reasons of price, an alternative energy supply (other than biomass energy) shall be limited to gas service under the Market Rate Service Rider for a period of one (1) year.

### Rate:

MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM
<del>\$700.00</del> <u>900.00</u>	<del>\$0.0427</del> <u>005034</u>

### Interim Surcharge:

~~Effective October 1, 2013, customers' bills will be increased on an interim basis by 4.88% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-13-316) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

### Special Conditions:

- 1) Customer must have arranged for the purchase of gas other than CenterPoint Energy's pipeline supply and for its delivery to a CenterPoint Energy Town Border Station(s). ~~CenterPoint Energy may, at its option, take title to transportation gas, if necessary to arrange interstate pipeline transportation to CenterPoint Energy's Town Border Station(s).~~
- 2) Customer will provide CenterPoint Energy's Transportation Services Throughput Management Department in writing (by facsimile) with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.
- 3) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.
- 4) Customer must have and maintain adequate standby facilities and have available sufficient fuel supply to maintain operations during periods of curtailment.
- 5) Customer agrees to curtail the use of gas transported hereunder, within one (1) hour when requested by CenterPoint Energy.

### Therm Factor Adjustment:

Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

## LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE (CONTINUED)

### Nomination:

Customer requesting volumes to flow on the first day of any month must directly advise CenterPoint Energy's Transportation Services Department in writing (by facsimile or email), by 9:00 a.m. central standard time, five (5) working days prior to the end of the preceding month, of the initial daily volumes to be delivered on its behalf from the Town Border Station to the customer's premise.

Customer requesting nomination changes commencing at 9:00 a.m. central clock time (CCT), must directly advise CenterPoint Energy's Transportation Services Throughput Management Department in writing (by facsimile), by 9:00 a.m. CCT on the preceding day (24 hours in advance), of the volumes to be delivered on its behalf from the Town Border Station to the customer's premise. CenterPoint Energy will utilize reasonable efforts to accommodate changes requested after the deadline.

Customer will provide CenterPoint Energy's Transportation Services Throughput Management Department with a concurrent copy of all nominations made to the transporting pipeline for deliveries nominated to CenterPoint Energy's Town Border Station(s).

### Balancing:

To maintain the operational integrity of CenterPoint Energy's distribution system, the customer is responsible for:

- 1) Scheduling deliveries which accurately reflect customer's expected total daily consumption; and
- 2) Balancing deliveries to CenterPoint Energy's system with volumes consumed at the delivery point.

#### Daily Balancing

When daily volumes of natural gas delivered on behalf of customer to CenterPoint Energy's Town Border station receipt points or natural gas received at customer's designated delivery point differ, above or below daily scheduled volumes, the customer is out-of-balance. It is the customer's sole responsibility to maintain balance between nominated volumes and actual use, however, CenterPoint Energy reserves the right to adjust or refuse nominations to maintain balance.

Volume differences between daily receipts and deliveries shall be accumulated and recorded in customer's account. CenterPoint Energy shall determine the imbalance quantity for each day on a therm basis. CenterPoint Energy shall then account for the imbalance volumes as follows:

**LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE (CONTINUED)****Franchise Fee:**

A franchise fee will be added to the monthly bill computed at this rate schedule for those communities that impose a franchise fee.

**Conservation Improvement Adjustment Rider:**

All customer bills under this rate are subject to the Conservation Improvement Rider, Section V, Page 13.

**Revenue Decoupling Rider:**

All customer bills under this rate with the exception of customers taking Market Rate Service, (Section V, Page 11) are subject to the Revenue Decoupling Rider, Section V, Pages 28-28.a.

**Contract:**

Customer must sign a separate contract for transportation service to each delivery point. The minimum contract term for Dual Fuel Transportation Service is thirty (30) days.

Customer must advise CenterPoint Energy five (5) days in advance in writing when it wishes to cancel a contract for Dual Fuel Transportation Service.

Customer is obligated to provide a copy of all contracts used to procure and deliver natural gas to CenterPoint Energy's Town Border Station(s). Customer is not required to provide price information.



**GAS AFFORDABILITY SERVICE PROGRAM (“PROGRAM”) (CONTINUED)**

3.6) If a Qualified Customer fails to pay two consecutive monthly payments in full under the Program, they will be terminated from the Program and will be subject to CenterPoint Energy’s regular collection practices including the possibility of disconnection.

**4) Funding:**

4.1) Total Program costs, which include start-up costs, Affordability component, Arrearage Forgiveness component and incremental administration costs incurred by CenterPoint Energy shall not exceed \$5 million per year. However, if there is an over-recovered balance in the Tracker at the end of a year, the over-recovered balance may be rolled over to the subsequent year and can be used to supplement benefits in the subsequent year unless the Minnesota Public Utilities Commission orders otherwise. CenterPoint Energy shall limit administrative costs included in the tracker (except start-up related costs) to 5% of total Program costs. Administrative costs will include, but are not limited to, the costs to inform customers of the Program and costs to process and implement enrollments.

4.2) CenterPoint Energy shall recover Program costs in the Delivery Charge applicable to all customers receiving firm service under the following tariffs: Residential Sales Service, Small Volume Commercial & Industrial Sales Service, Small Volume Firm Transportation Service, Large General Firm Sales and Large Volume Firm Transportation, except customers taking service under the Market Rate Service Rider.

4.3) A tracking mechanism (“Tracker”) will be established to provide for recovery of actual Program costs as compared to the recovery of Program costs through rates. CenterPoint Energy will track and defer Program costs with regulatory approval. The prudence of the program costs are subject to regulatory review. ~~During the time interim rates are in effect in Docket No. G-008/GR-13-316, customer bills will reflect the rate of \$0.00490 per therm which was approved in docket No. G-008/GR-08-1075. Interim rates, which are displayed as a single line item on customer bills, will include additional GAP recovery using the interim. The GAP recovery rate of \$0.00519 per therm, subject to adjustment for final approved sales volume. At the conclusion of Docket G-008/GR-13-316, the GAP tracker will be restated by making an accounting entry at the time that Final Rates are implemented.~~ CenterPoint Energy may petition the Commission to adjust this rate in order to true up the Program balance in the Tracker in its next general rate case.

**5) Evaluation:**

5.1) The Program shall be evaluated before the end of its term. The program may be modified based on annual reports and on a financial evaluation.

5.2) The 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 customer collection activity. The annual reports may also include information about customer satisfaction with the program.

5.3) The financial evaluation will include a discounted cash flow of the Program’s cost-effectiveness analysis from a ratepayer perspective comparing the 1) total Program costs, which includes the Affordability component, Arrearage Forgiveness component and total company incurred administration costs, to 2) the total net savings including cost reductions on utility functions such as the impact of the Program on write-offs, service disconnections and reconnections and collections activities. The discounted cash flow difference between total Program costs and total net savings will result in either a net benefit or a net cost to ratepayers for the program. Any net benefit after the initial four year term of the Program will be added to the Tracker for refund to residential ratepayers.

**6) Program Revocation:**

The Program, upon approval by the Commission, is effective unless the Commission, after notice and hearing, rescinds or amends its order approving the Program.

## **REVENUE DECOUPLING RIDER (RD RIDER)**

### **1. Purpose:**

The purpose of this Revenue Decoupling Rider is to reduce CenterPoint Energy's financial disincentive to the promotion of energy efficiency and conservation by severing the link between the recovery of CenterPoint Energy's non-gas distribution costs and the volume of gas sales. to its small volume firm customer rate classes. This will be accomplished by comparing the level of non-gas revenues authorized in the last general rate case adjusted for increases in customer counts to the level of non-gas revenues collected by rate class to calculate either a class revenue shortfall or revenue surplus. If either a revenue shortfall or a revenue surplus exists in an applicable rate class, then the delivery charge per therm for that rate class will be increased or decreased to collect from or return to the applicable rate class the calculated revenue shortfall or revenue surplus. This rider complies with the legislative intent and the language of Minnesota Statutes, Section 216B.2412 Decoupling of Energy Sales from Revenues.

### **2. Applicability:**

This rider shall apply to all CenterPoint Energy's small volume firm service customers except those taking service under the Company's Large Volume Market Rate Service Rider receiving gas service throughout CenterPoint Energy's service territory including under the Residential Sales Service, and the Small Volume Commercial and Industrial Sales Service, Large General Firm Sales Service, Small Volume Dual Fuel Sales Service, Small Volume Firm/Interruptible Sales Service, Large Volume Dual Fuel Sales Service, Small Volume Firm Transportation Service, Large Volume Firm Transportation Service, Small Volume Dual Fuel Transportation Service and Large Volume Dual Fuel Transportation Service rate schedules.

### **3. Evaluation Report Filing and Review:**

No later than ~~March 4~~September 1 of the ~~calendar~~ pilot year following the July 1, 2015 Minnesota Public Utility Commission (MPUC) approval authorized start of the RD Rider, and then no later than ~~March 4~~September 1 of each year thereafter, CenterPoint Energy shall file annually with the Minnesota Public Utility Commission an Evaluation Report calculating the RD Rider adjustments, if any, in accordance with the provisions of Section 4 Calculation of RD Rider Adjustment. CenterPoint Energy shall provide workpapers and data supporting the calculations reflected in the Evaluation Report. The Evaluation Report shall reflect the annual Evaluation Period, which for the first Evaluation Period shall begin with the bills rendered on the first day of July 1, 2015 ~~the month succeeding the implementation of interim rates as approved in Docket No. G-008/GR-13-316 until December 31~~June 30 of that the following year, and then for the succeeding Evaluation Periods shall be the twelve-month period ended ~~December 31~~June 30 of the year immediately preceding the filing of the associated Evaluation Report.

The applicable rate adjustment under the RD Rider shall be effective with bills rendered on or after ~~March~~September 1 of the year in which the Evaluation Report is filed and will continue for twelve months. At the end of the twelve month collection period, any remaining amounts to be collected from or refunded to customers will be added to or subtracted from the Annual RD Rider Adjustment for the next RD Rider filing. If the RD Rider is terminated, then the current RD Rider rate adjustment will continue in effect until the full amounts are either collected from or refunded to customers.

In the event any portions of the proposed rate adjustments are modified by the Minnesota Public Utility Commission, the proposed rate adjustments shall be adjusted in accordance with the Commission's order.

CenterPoint Energy shall record its best estimate of the amounts to be recognized under the RD Rider so as to reflect in its books and records a fair representation of the impact of this rider in actual earnings. Such estimate shall be adjusted, if necessary, upon filing the RD Rider calculations with the Commission, and again upon final Commission approval.

#### **4. CALCULATION OF RD RIDER ADJUSTMENT:**

The RD Rider Adjustment will be calculated annually and on a class-by-class basis for each class of customers to which the RD Rider applies and will be applied on a per therm basis. For purposes of calculating the RD Rider Adjustment, the following terms shall be defined as follows:

Authorized Revenue Per Customer - the rate schedule non-gas revenue requirements divided by the number of customers used to determine the final rates for the applicable rate class resulting from CenterPoint Energy's last general rate case.

Allowed Revenues – Authorized Revenue Per Customer multiplied by the greater of (1) the actual Evaluation Period number of customers or (2) the number of customers used to determine final rates in the last general rate case in the applicable rate class, calculated each month of the twelve month Evaluation Period, and summed.

The RD Rider Adjustment shall equal the Allowed Revenues less the Evaluation Period actual Non-Gas Revenues, divided by the class forecast volumes used to determine final rates from the last general rate case.

The RD Rider Adjustment for the applicable rate classes *to collect an under-recovery amount of non-gas revenues* will be capped at ~~+5% of the total volumetric charge~~+10% of non-gas margins, including basic charge revenue, after removing the CCRC (recovery of bas energy conservation costs) for each of the rate classes, *while the RD Rider adjustment for the applicable rate classes to return an over-recovered amount of non-gas revenues shall not be capped.* ~~The average of the total actual non-gas margin after removing the CCRC volumetric rates effective for the Valuation Period will be used to calculate the total volumetric charge used to apply the cap.~~

#### **5. EXPIRATION OF RD RIDER:**

The RD Rider will be effective for a pilot period of three years (36 months) from the July 1, 2015 start of the Evaluation Period. However, CenterPoint Energy may request authorization to extend the effective period of the RD Rider.

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**CENTERPOINT ENERGY SUPPLIED METER COMMUNICATION RIDER****Availability:**

Available to any customer receiving service under a tariff that requires automatic meter reading/telemetry equipment at the customer's meter and who wants CenterPoint Energy to be responsible for communication service to their meter in lieu of the customer providing an analog telephone line to the meter.

**Rate:**

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<u>Monthly Charge</u>	<u>\$17.00</u>
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**Special Conditions:**

- 1) CenterPoint Energy shall have access to the customer's meter and a location to install an antenna if necessary.
- 2) If the customer's meter is inside a building, the customer will provide an outside location for an antenna if needed.
- 3) In certain geographical areas of limited or no communication channels the Rider is not available until adequate communication service can be provided.
- 4) Customer must choose this rider for a minimum of one year.
- 5) Customers receiving service under a tariff that requires telemetry equipment and who fail to provide analog telephone service to the gas meter will automatically be placed on this Rider.

**4.04 Economic Feasibility (Continued)**

Cost Justification Formula

All Commercial/Industrial main line extension projects and service line extension projects will be justified using the following formula:

Allowable Investment	=	Est. Annual Gas Margin	Divided by	Cost of Service Factor
<b>COST OF SERVICE FACTOR</b>		<b>I/C FIRM</b>		<b>DUAL FUEL</b>
		14.86%		18.85%

Estimated annual gas margin is the annual basic charge plus the ~~unit margin (per unit billing rate less the cost of gas) multiplied by estimated annual sales. delivery charge per therm less the conservation cost recovery charge (CCRC) per therm multiplied by estimated annual sales.~~

$$\text{Cost of Service Factor} = \frac{\text{Annual costs incurred as a percentage of the original investment}}{\text{Net investment balance as a percentage of the original investment}}$$

The following Cost of Service Factors will be updated annually using the calculation above:

- Commercial/Industrial New Installation
- Dual Fuel New Installation

Original investment is the cost incurred to add a new firm or interruptible commercial/industrial customer.

The costs incurred include depreciation, property taxes and pre-tax rate of return. Depreciation is based on the rates from the most recent filed depreciation study. Property taxes are based on the actual rate for the previous year. The pre-tax rate of return is based on the capital structure approved in the most recent rate case.

The net investment balance is the balance of the original investment less accumulated depreciation and accumulated deferred income taxes. Tax depreciation rates used to calculate accumulated deferred income taxes are from the most recent applicable depreciation tables issued by the Internal Revenue Service. This factor is calculated at the 5th year for firm customers and the 1st year for interruptible customers.

Federal and state tax rates used in the calculation are the current statutory rates for Minnesota utilities.

**4.05 Expense of Installation - Gas Mains**

If in the opinion of CenterPoint Energy, gas service is not now, nor ever will be, economically feasible, CenterPoint Energy will make an estimate of the cost of the project and the extension will nevertheless be made only if the applicant pays a non-refundable contribution-in-aid-of-construction to CenterPoint Energy for the portion of the capital expenditure and annual operating costs not justified by the annual revenue.

The applicant may pay the contribution in equal monthly installments over a period not to exceed ninety (90) days interest free.

**4.06 Advance for Construction Requirements (Continued)**

Advances for residential gas main extensions are refundable without interest for a period of up to three (3) years from the date of completion of the main extension as additional customers are connected to the particular main extension for which the advance was made. For each such additional customer connected to the main extension within the three year period, CenterPoint Energy will refund ~~quarterly~~semi-annually based upon the customer footage allowance and the cost per foot of main effective the year the main extension was installed.

The total amount refunded shall not exceed the amount of the original advance and any remaining balance at the end of three (3) years becomes a non-refundable contribution-in-aid of construction.

## 7.00 CUSTOMER DEPOSITS

CenterPoint Energy policies and procedures are consistent with Minnesota Rules 7820.4100 - 7820.4700, Deposit and Guarantee Requirements.

### 7.01 Amount of Deposit

CenterPoint Energy may require a new or an existing customer to make a cash deposit to CenterPoint Energy as security for the payment for gas service. The cash deposit shall not exceed an amount equal to the applicant's estimated two (2) month's bill or customer's highest bill for two (2) months. CenterPoint Energy does not require a deposit or guarantee of any customer or applicant who has established good credit with CenterPoint Energy.

CenterPoint Energy will issue a non-negotiable receipt for each cash deposit received.

~~Effective December 1, 2005 and continuing through the remaining portion of the 2005 – 2006 Cold Weather Rule period, Deposits will not be required from customers who have received LIHEAP benefits during the 2005 – 2006 Cold Weather Rule period.~~

### 7.02 Interest on Deposit

Interest shall be paid on deposits in excess of \$20. The rate of interest must be set annually and be equal to the weekly average yield of one-year United States Treasury securities adjusted for constant maturity for the last full week in November. The Interest rate must be rounded to the nearest tenth of one percent. By December 15 of each year, the Commissioner of Commerce shall announce the rate of interest that must be on all deposits held during all or part of the subsequent year. Interest will be credited to the customer's account, credited to the unpaid final bill, or refunded to the customer. CenterPoint Energy will calculate interest from the date the deposit is received to the date the deposit is applied to the customer's account or refunded to the customer.

CenterPoint Energy will calculate interest as of December 31st of each year for each deposit and will credit the depositor's account for this amount.

CenterPoint Energy will review the necessity for each deposit at least annually and will refund deposits with accrued but uncredited interest, where the deposit is deemed unnecessary.

## 8.00 ACCESS TO CUSTOMER PREMISES

CenterPoint Energy's policy is consistent with Minnesota Rule 7820.3100, Uniform Access to Customer's Premises.

### 8.01 Uniform Access

All properly authorized agents of CenterPoint Energy shall have the right of access to the premises and property of the customer if an emergency situation involving imminent danger to life or property appears to exist.

### 8.02 Identification

Each employee of CenterPoint Energy authorized to enter, or go upon the customer's premises or property is provided with an identification card by CenterPoint Energy. ~~The identification card is signed by an officer of CenterPoint Energy and by the employee. A customer may require the holder of the identification card to identify himself/herself by reproducing his/her signature for comparison.~~ Customers are urged to ask for the employee's identification whenever there is doubt as to the card holder's identity.



**11.01 Refusal or Discontinuance of Gas Service for Non-Payment - (Continued)**

## 7) Reconnection Charge

A charge of ~~\$22.50~~<sup>\$28.00</sup> will be made by CenterPoint Energy to reinstate gas service when the gas meter has been locked for non-payment.

Where any other method of discontinuing gas service for non-payment has been used by CenterPoint Energy, the customer shall pay all costs of disconnection and reconnection incurred by CenterPoint Energy before gas service is resumed to that customer.

A charge of \$100, plus the cost of disconnection and reconnection incurred by CenterPoint Energy to reinstate gas service when the gas meter has been locked or removed for meter tampering.

The Reconnection Charge may be waived for a customer who enters into a payment arrangement under Minn. Stat. 325E.028, Utility Payment Arrangements for Military Service Personnel.

## 8) Payment of Unpaid and Past Due Balance

Gas service refused to any applicant, or discontinued to any customer, under this rule will not be provided or restored until the past due and unpaid balance and reconnection charge has been paid in full or satisfactory credit arrangements for the payment of this amount are agreed upon.

## 9) Medically necessary equipment – The Company shall reconnect or continue service to a residential customer's residence where a medical emergency exists. The Utility must receive from a medical doctor written certification, or initial certification by telephone and written certification within 5 business days, that failure to reconnect or continue service will impair or threaten the health or safety of a resident of the customer's household. The customer must enter into a payment agreement.

## 12.02 DEFINITIONS (CONTINUED)

9. **Company** – means the Minnesota Operations of CenterPoint Energy.
10. **Utility Heating Service** – means natural gas used as a primary heating source for the customer's primary residence.
11. **Working Days** – means Mondays through Fridays excluding legal holidays. The day of receipt of a personally served notice and the day of mailing of a notice shall not be counted in calculating working days.

## 12.03 COMPANY OBLIGATIONS BEFORE COLD WEATHER PERIOD

Each year, between September 1 and October 15, the Company must provide all customers, personally or by first class mail or electronically for those requesting electronic billing, a summary of rights and responsibilities. The summary must also be provided to all new residential customers when service is initiated.

## 12.04 NOTICE BEFORE DISCONNECTION DURING COLD WEATHER PERIOD

Before disconnecting utility heating service during the cold weather period, the Company must provide, personally or by first class mail, a Minnesota Public Utilities Commission-approved notice to a customer, in easy to understand language, that contains, at minimum, the date of the scheduled disconnection, the amount due, and a summary of rights and responsibilities.

## 12.05 COLD WEATHER RULE

During the cold weather period, the Company may not disconnect and must reconnect utility heating service of a customer whose household income is at or below 50 percent of the state median income if the customer enters into and makes reasonably timely payments under a mutually acceptable payment agreement with the Company that is based on the financial resources and circumstances of the household; provided that, the Company may not require a customer to pay more than ten percent of the household income toward current and past utility bills for utility heating service.

The Company may accept more than ten percent of the household income as the payment arrangement amount if agreed to by the customer.

The customer or a designated third party may request a modification of the terms of a payment agreement previously entered into if the customer's financial circumstances have changed or the customer is unable to make reasonably timely payments.

The payment agreement terminates at the expiration of the cold weather period unless a longer period is mutually agreed to by the customer and the Company

The Company shall use reasonable efforts to restore service within 24 hours of an accepted payment agreement, taking into consideration customer availability, employee availability, and construction-related activity.

## DUAL FUEL SALES SERVICE

This Dual Fuel Sales Service Agreement ("Agreement") is between \_\_\_\_\_, a \_\_\_\_\_ (Proprietorship, Partnership or Corporation), \_\_\_\_\_ ("Customer") and ~~CenterPoint Energy, a Division of~~ CenterPoint Energy Resources Corp., ~~d/b/a CenterPoint Energy Minnesota Gas~~, 800 LaSalle Avenue, Floor 4414, Minneapolis MN 55402. Customer is a user of natural gas who meets the requirements for dual fuel service as outlined in the applicable Dual Fuel Sales Service tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). CenterPoint Energy and Customer agree as follows:

### Section 1. REQUIREMENTS AND DELIVERIES.

1.1. **Delivery of Gas.** CenterPoint Energy will sell and deliver pipeline quality gas at \_\_\_\_\_ (Acct# \_\_\_\_\_) on an interruptible basis. The metered volume will be adjusted to account for variations in pressure and temperature and billed accordingly. Gas-using equipment is listed in Appendix A. Customer will notify CenterPoint Energy of any changes in its use of natural gas.

1.2. **Refusal or Disconnection of Service.** CenterPoint Energy will not initiate gas service until all equipment necessary for gas and alternative fuel operation is installed and performs in compliance with applicable laws, ordinances and codes and Customer meets CenterPoint Energy's credit requirements.

CenterPoint Energy may refuse service or disconnect service without notice for the following reasons:

- Tampering with CenterPoint Energy's equipment;
- The existence of a condition hazardous to Customer; CenterPoint Energy's other customers, employees or equipment; or the public;
- Customer's use of equipment which adversely affects CenterPoint Energy's equipment or service to others.

CenterPoint Energy may refuse or disconnect service upon five days written notice for any of the following reasons:

- Customer's failure to pay a bill when due;
- Customer's violation of CenterPoint Energy's Rules and Regulations on file with the Public Utilities Commission or city having jurisdiction;
- Customer's breach of this Agreement;
- Customer's failure to provide CenterPoint Energy reasonable access to CenterPoint Energy's equipment;
- Customer's failure to furnish necessary service, equipment or rights-of-way which CenterPoint Energy has specified as a condition for obtaining service.

Disconnection does not relieve Customer of the responsibility to pay CenterPoint Energy for service previously rendered.

### Section 2. PRICE, BILLING AND PAYMENT PROCEDURES.

2.1. **Rate for Gas.** Customer will pay the gas rate in the applicable Dual Fuel Sales Service Tariff approved by the applicable authority. CenterPoint Energy may increase or decrease the rate for changes in the cost of gas pursuant to its Purchased Gas Adjustment Clause.

2.2. **Taxes and Fees.** Customer will pay any tax or fee imposed on all or part of any sale of gas or the gross revenues derived from the sale of gas.

2.3. **Gas Used After Notice of Curtailment.** For all unauthorized gas used after notice of curtailment, Customer will pay the charge for Unauthorized Gas as specified in the tariff.

2.4. **Billing and Payment.** CenterPoint Energy will bill Customer monthly. Payment is due by the due date noted on the bill.

2.5. **Late Payment Charge.** Late payment will be charged as specified in the tariff.

### Section 3. CURTAILMENT.

3.1. **Curtailment.** Customer will provide CenterPoint Energy (and update as necessary) the names and telephone numbers of persons CenterPoint Energy should notify to curtail in Appendix B. Customer will curtail gas usage upon one hour's notice.

### Section 4. SERVICE LINES AND METERING EQUIPMENT.

4.1. **Equipment Furnished by CenterPoint Energy.** CenterPoint Energy will install and maintain necessary gas mains and services, meter, remote reading equipment, and regulator equipment to supply natural gas to the CenterPoint Energy meter on Customer's premises. CenterPoint Energy may charge Customer for costs of installation consistent with CenterPoint Energy's tariff. All equipment furnished by CenterPoint Energy will remain its property, and CenterPoint Energy may remove its equipment upon termination of service to customer.

4.2. **Customer's Equipment.** All piping and equipment downstream of the meter, including telephone lines and any necessary electrical power for remote meter reading equipment, will be installed and maintained by Customer and remain Customer's responsibility. Any inspection by CenterPoint Energy of Customer's piping and equipment will not impose any obligation or liability on CenterPoint Energy.



- 4.3. **Location on Customer's Premises.** Customer will, without expense to CenterPoint Energy, provide, and maintain on the premises, at a location satisfactory to CenterPoint Energy, proper space for CenterPoint Energy's piping, meters, regulators and other equipment.
- 4.4. **Access to Equipment.** CenterPoint Energy representatives have the right at all reasonable times to have access to its equipment for any reason related to this Agreement, including the right to read meters, make inspections or repairs or remove CenterPoint Energy's equipment. Customer will obtain consent from its lessor, if any, for CenterPoint Energy to enter the premises for these purposes. Access will be granted at all times for emergency purposes.
- 4.5. **Safekeeping of CenterPoint Energy's Equipment.** Customer will provide for the safekeeping of CenterPoint Energy's meters and other equipment. Customer will reimburse CenterPoint Energy for the cost of any alterations to its property necessitated by Customer, and for any loss or damage to CenterPoint Energy's property due to negligence of Customer, its agents or employees. CenterPoint Energy may suspend or discontinue gas service until any such damage or loss is settled to its satisfaction.

**Section 5. ALTERNATIVE OR DUAL FUEL EQUIPMENT.**

- 5.1. **Alternative or Dual Fuel Capability.** Customer must have an operational alternate or dual fuel system installed. The installation and maintenance of the alternate or dual fuel system must comply with applicable codes, ordinances and laws.
- 5.2. **Alternate Fuel Supply.** Customer will have access to sufficient alternate fuel supplies for all periods of curtailment.

**Section 6. TERM.**

This Agreement is effective when signed by both parties and remains in effect until terminated by CenterPoint Energy pursuant to Section 1 or either party upon 30 days written notice. This Agreement supersedes all prior written or oral agreements.

**Section 7. NOTICES.**

Notices, except as otherwise specified, will be sent to:

CenterPoint Energy, Energy Sales  
800 LaSalle Avenue, Floor ~~1114~~  
Minneapolis, MN 55402 Phone: 612.321.4330

NAME	ADDRESS
TITLE	CITY, STATE, ZIP
TELEPHONE NUMBER	<b>PLEASE NOTIFY CENTERPOINT ENERGY OF ANY CHANGES IN CONTACTS</b>

**Section 8. ASSIGNMENT.**

This Agreement cannot be assigned without CenterPoint Energy's prior written approval. If Customer does not obtain approval, Customer will remain liable for payment of gas service.

**Section 9. WAIVER OF LIABILITY.**

CenterPoint Energy will not be liable for any loss, injury, or damages, including any special, incidental, or consequential damages, resulting from CenterPoint Energy's disconnection or refusal of service, or any interruption or curtailment of gas service.

**Section 10. APPLICABLE LAW AND REGULATION.**

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms or conditions of the Agreement, the Tariff shall govern. If a change in the Tariff 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 11. COMPLETE AGREEMENT.**

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

<b>CENTERPOINT ENERGY</b>	<b>CUSTOMER(S)</b>
By: _____	By: _____
<del>Its</del> Title: _____	<del>Its</del> Title: _____
Dated: _____	Dated: _____



**AGREEMENT APPENDIX A**

EQUIPMENT	MMBTU/INPUT	ALTERNATE FUEL
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____
7. _____	_____	_____
8. _____	_____	_____
9. _____	_____	_____
10. _____	_____	_____

*(Attach additional pages if necessary)*

**ALTERNATE FUEL STORAGE CAPACITY**

*(Please notify CenterPoint Energy of any changes in equipment capacity.)*

**AGREEMENT APPENDIX B**

CUSTOMER		
SERVICE LOCATION		
CITY	ZIP	
CONTACT	TITLE	PHONE

**CURTAILMENT NOTICES**

1.	NAME	TITLE	
	OFFICE PHONE	HOME PHONE	Cell Phone
2.	NAME	TITLE	
	OFFICE PHONE	HOME PHONE	Cell Phone
3.	NAME	TITLE	
	OFFICE PHONE	HOME PHONE	Cell Phone

*(Please notify CenterPoint Energy of any change in Curtailment Contacts.)*



## DUAL FUEL GAS TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT ("Agreement") is between CenterPoint Energy, ~~A division of CenterPoint Energy~~ Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 800 LaSalle Ave, Floor 1414, Minneapolis, Minnesota 55402 ("CenterPoint Energy") and \_\_\_\_\_ ("End User"), and is effective 9:00 a.m. CCT on the 1st day of \_\_\_\_\_, 20\_\_\_\_. End User is a natural gas user who has purchased natural gas from a supplier other than CenterPoint Energy's sales service, and who desires to transport that natural gas through CenterPoint Energy's distribution system. CenterPoint Energy is willing and able to transport End User's natural gas on an interruptible basis, subject to (1) all provisions of this Agreement, and (2) CenterPoint Energy's currently effective and applicable Dual Fuel Transportation Service Tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). Therefore, the parties, desiring to be legally bound, for themselves, their successors and assigns, agree as follows:

### Section 1. Quantity.

CenterPoint Energy agrees to accept and to transport on an interruptible basis daily volumes of gas nominated by End User in accordance with Section 2 of this Agreement in volumes up to \_\_\_\_\_ Therms per day. End User's gas will be accepted at the inlet of CenterPoint Energy's \_\_\_\_\_ town border station ("TBS") and will be transported on an interruptible basis to End User's meter at \_\_\_\_\_, Minnesota, account # \_\_\_\_\_. The volumes metered by CenterPoint Energy will be considered the volumes delivered to CenterPoint Energy.

End User's gas shall be delivered by CenterPoint Energy at a rate of flow not exceeding \_\_\_\_\_ cubic feet per hour at the outlet of End User's meter. The gas shall be delivered at normal operating pressures and temperatures on CenterPoint Energy's distribution system and all volumes delivered will be adjusted for Btu content. The gas transported under this Agreement shall be the first gas registered through End User's meter.

### Section 2. Nominating Procedure.

Each day by 9:00 a.m. CCT, End User will nominate the volume of gas it wants to take for the 24-hour period beginning at 9:00 a.m. CCT the following day. Nominations shall be made directly to CenterPoint Energy's ~~Throughput Management~~ Transportation Services Department and shall include volumes to account for fuel use and unaccounted for volumes on the transporting interstate pipeline system. When End User is out-of-balance on CenterPoint Energy's system as defined in the Tariff, End User will pay the charges outlined in the Tariff. End User is responsible for all transportation and transportation requirements of the interstate pipeline.

### Section 3. Meter Reading and Telemetry.

Telemetry is required. End User will be billed monthly for the cost of the telephone circuit. This charge is in addition to all charges outlined in the Tariff.

### Section 4. Term.

This Agreement will continue in effect for 1 year from its effective date. Upon expiration of the initial term, this Agreement shall continue for successive thirty (30) day periods until terminated in accordance with Section 7 of this Agreement.

### Section 5. Price.

The rate charged End User for transported gas will be governed by the applicable Tariff, a copy of which is attached to this Agreement.

### Section 6. Payment.

Payment is due five (5) days prior to the next scheduled billing date. A late charge, as outlined in the Tariff, will be applied to bills not paid by the end of the due date.

### Section 7. Termination and Assignment.

- 7.1. End User or CenterPoint Energy may terminate this Agreement by giving written notice to the other thirty (30) days prior to the expiration of the current term.
- 7.2. This Agreement shall immediately terminate on any date on which any applicable statute, regulation or other jurisdictional authority renders it illegal, null or void.
- 7.3. Additionally, this Agreement will be subject to termination immediately upon notice to End User of its failure to meet its responsibilities under this Agreement.
- 7.4. This Agreement may not be assigned without the written consent of the other party.

### Section 8. Notices.

CenterPoint Energy, Energy Sales Department: 800 LaSalle Ave., Floor 1414, Minneapolis, MN 55402; 612-321-4330  
End User: \_\_\_\_\_

### Section 9. Alternative Fuel Capability and Interruption.

End User must have on-site alternate fuel capability and sufficient fuel to burn for periods of interruption, or be receiving service under the Process Interruptible Service Rider. CenterPoint Energy can interrupt End User if capacity constraints require or for other appropriate reasons. End User will cease using gas on one hour's notice when CenterPoint Energy requests or pay the penalty for Unauthorized Use of Gas contained in the Tariff.

### Section 10. Waiver of Liability.

End User will hold CenterPoint Energy harmless from all claims for damages, including special, incidental, or consequential damages, resulting from any termination of gas service caused by End User's failure to deliver gas to CenterPoint Energy's TBS or for CenterPoint Energy's interruption or curtailment of gas service.

### Section 11. Supplying Copies of Contracts.

Prior to any transportation by CenterPoint Energy under this Agreement, End User will provide CenterPoint Energy with copies of all contracts used to procure and deliver natural gas to CenterPoint Energy's TBS. However, End User need not provide price information contained in such contracts.

### Section 12. Applicable Law and Regulation.

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms or conditions of the Agreement, the Tariff shall govern. If a change in the Tariff 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 13. Complete Agreement.

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

#### END USER

By: \_\_\_\_\_

~~Its Title:~~ \_\_\_\_\_

Dated: \_\_\_\_\_

**CENTERPOINT ENERGY, A division of CenterPoint Energy Resources Corp. RESOURCES CORP., d/b/a CenterPoint Energy Minnesota Gas**

By: \_\_\_\_\_

~~Its Title:~~ \_\_\_\_\_

Dated: \_\_\_\_\_



## FIRM GAS TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT ("Agreement") is between CenterPoint Energy, ~~A division of CenterPoint Energy~~ Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 800 LaSalle Ave, Floor ~~4114~~, Minneapolis, Minnesota 55402 ("CenterPoint Energy") and \_\_\_\_\_ ("End User"), and is effective 9:00 a.m. CCT on the 1st day of \_\_\_\_\_, 20\_\_\_\_. End User is a natural gas user who has purchased natural gas from a supplier other than CenterPoint Energy's sales service, and who desires to transport that natural gas through CenterPoint Energy's distribution system. CenterPoint Energy is willing and able to transport End User's natural gas on a firm basis, subject to (1) all provisions of this Agreement, and (2) CenterPoint Energy's currently effective and applicable Firm Transportation Service Tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). Therefore, the parties, desiring to be legally bound, for themselves, their successors and assigns, agree as follows:

### Section 1. Quantity.

CenterPoint Energy agrees to accept and to transport on a firm basis daily volumes of gas nominated by End User in accordance with Section 2 of this Agreement in volumes up to \_\_\_\_\_ Therms per day. End User's gas will be accepted at the inlet of CenterPoint Energy's \_\_\_\_\_ town border station ("TBS") and will be transported on a firm basis to End User's meter at \_\_\_\_\_, Minnesota account #\_\_\_\_\_. The volumes metered by CenterPoint Energy will be considered the volumes delivered to CenterPoint Energy.

End User's gas shall be delivered by CenterPoint Energy at a rate of flow not exceeding \_\_\_\_\_ cubic feet per hour at the outlet of End User's meter. The gas shall be delivered at normal operating pressures and temperatures on CenterPoint Energy's distribution system and all volumes delivered will be adjusted for Btu content. Gas transported under this Agreement shall be the first gas registered through End User's meter.

### Section 2. Nominating Procedure.

Each day by 9:00 a.m. CCT, End User will nominate the volume of gas it wants to take for the 24-hour period beginning at 9:00 a.m. CCT the following day. Nominations shall be made directly to CenterPoint Energy's ~~Throughput Management~~Transportation Services Department and shall include volumes to account for fuel use and unaccounted for volumes on the transporting interstate pipeline system. When End User is out-of-balance on CenterPoint Energy's system, as defined in the Tariff, End User will pay the charges outlined in the Tariff.

End User is responsible for all transportation and transportation requirements of the interstate pipeline.

### Section 3. Meter Reading and Telemetry.

Telemetry is required. End User ~~will~~may be billed monthly for the cost of the telephone circuit. This charge is in addition to all charges outlined in the applicable Tariff.

### Section 4. Term.

This Agreement will continue in effect for 1 year from its effective date. Upon expiration of the initial term, this Agreement shall continue for successive thirty (30) day periods until terminated in accordance with Section 7 of this Agreement.

### Section 5. Price.

The rate charged End User for transportation services will be governed by the Tariff, a copy of the current Tariff is attached to this Agreement.

### Section 6. Payment.

Payment is due five (5) days prior to the next scheduled billing date. A late charge, as outlined in the Tariff, will be applied to bills not paid by the end of the due date.

### Section 7. Termination and Assignment.

7.1. End User or CenterPoint Energy may terminate this Agreement by giving written notice to the other thirty (30) days prior to the expiration of the current term.

7.2. This Agreement shall immediately terminate on any date on which any applicable statute, regulation or other jurisdictional authority renders it illegal, null or void.

7.3. Additionally, this Agreement will be subject to termination immediately upon notice to End User of its failure to meet its responsibilities under this Agreement.

7.4. This Agreement may not be assigned without the written consent of the other party.

### Section 8. Notices.

CenterPoint Energy, Energy Sales Department: 800 LaSalle Ave., Floor ~~4114~~, Minneapolis, MN 55402, 612-321-4330

End User: \_\_\_\_\_

\_\_\_\_\_

### Section 9. Failure of Gas Supply.

If the End User fails to supply gas to CenterPoint Energy's TBS, End User will bound by the provisions detailed in the Tariff.

### Section 10. Waiver of Liability.

End User will hold CenterPoint Energy harmless from all claims for damages resulting from any termination of gas service caused by End User's failure to deliver gas to CenterPoint Energy's TBS.

### Section 11. Supplying Copies of Contracts.

Prior to any transportation by CenterPoint Energy under this Agreement, End User will provide CenterPoint Energy with copies of all contracts used to procure and deliver natural gas to CenterPoint Energy's TBS. However, End User need not provide price information contained in such contracts.

### Section 12. Applicable Law and Regulation.

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms or conditions of the Agreement, the Tariff shall govern. If a change in the Tariff 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 13. Complete Agreement.

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

**CENTERPOINT ENERGY, ~~A division of CenterPoint Energy Resources Corp.~~RESOURCES CORP., d/b/a CenterPoint Energy Minnesota Gas**

By: \_\_\_\_\_

~~Its~~Title: \_\_\_\_\_

Dated: \_\_\_\_\_

### END USER

By: \_\_\_\_\_

~~Its~~Title: \_\_\_\_\_

Dated: \_\_\_\_\_



**MARKET RATE SERVICE AGREEMENT**

This Market Rate Service Agreement ("Agreement") is effective as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, between CenterPoint Energy, ~~a Division of CenterPoint~~ Energy Resources Corp., ~~d/b/a CenterPoint Energy Minnesota Gas~~, 800 LaSalle Avenue, Floor ~~4+14~~, Minneapolis, MN 55402 and \_\_\_\_\_ ("Customer"), for service at \_\_\_\_\_, account # \_\_\_\_\_.

This agreement is subject to CenterPoint Energy's currently effective and applicable Market Rate Service Tariff or Rider on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff").

Customer is a consumer of natural gas, with the capability of obtaining energy supplies from other suppliers not regulated by the Minnesota Public Utilities commission and is subjecting CenterPoint Energy to effective competition as defined in Minnesota Stat. §216B.163. Accordingly, CenterPoint Energy agrees to provide service on a market rate basis.

CenterPoint Energy and Customer agree as follows:

1. The minimum term of the Agreement is one year from the effective date of Agreement. Upon expiration of the initial term, this Agreement shall continue in effect for subsequent 30 day periods until terminated by either party providing 30 days written notice to the other party.
2. During the term of the Agreement, Customer shall only receive service from CenterPoint Energy under the applicable Market Rate tariffs for natural gas sales or transportation service.
3. Natural gas or natural gas transportation shall be priced during the term of this Agreement in accordance with the terms of the applicable Market Rate tariff. Pricing during the initial term of the Agreement shall be as follows: \_\_\_\_\_
4. This Agreement shall be construed in accordance with the laws of the State of Minnesota. Further, the operation and effectiveness of this Agreement shall not continue if such continuance would violate any applicable statute, regulation or other jurisdictional authority.

IN WITNESS WHEREOF, this Agreement was signed by duly authorized representatives of CenterPoint Energy and Customer.

~~CENTERPOINT ENERGY, A Div. CenterPoint Energy Resources Corp.~~ RESOURCES CORP., ~~d/b/a CenterPoint Energy Minnesota Gas~~

CUSTOMER

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_



## Small Volume Firm/Interruptible Sales Service Agreement

This Small Volume Firm/Interruptible Sales Service Agreement ("Agreement") is between \_\_\_\_\_, a \_\_\_\_\_ (Proprietorship, Partnership or Corporation), \_\_\_\_\_ ("Customer") and ~~CenterPoint Energy, a Division of~~ CenterPoint Energy Resources Corp., a ~~Delaware corporation, d/b/a CenterPoint Energy Minnesota Gas,~~ 800 LaSalle Avenue, Floor ~~4414~~, Minneapolis MN 55402 ("CenterPoint Energy"). Customer is a user of natural gas who meets the requirements for firm/interruptible service as outlined in the applicable Small Volume Firm/Interruptible Sales Service tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). CenterPoint Energy and Customer agree as follows:

### Section 1. REQUIREMENTS AND DELIVERIES.

- 1.1. **Delivery of Gas.** CenterPoint Energy will sell and deliver pipeline quality gas at \_\_\_\_\_ (Acct# \_\_\_\_\_) on a firm/interruptible basis. The metered volume will be adjusted to account for variations in pressure and temperature and billed accordingly. Gas-using equipment is listed in Appendix A. Customer will notify CenterPoint Energy of any changes in its use of natural gas.
- 1.2. Customer must elect a base level of daily firm service volume of no less than 25 therms per day, on or before September 1 of each year. Such base level of daily firm service will be effective the following November 1 and will remain in effect for one (1) year. Prior to September 1 of subsequent years, Customer will have the right to elect a different base level of daily firm service (but not less than 25 therms per day), to be effective the following November 1. If Customer does not elect to modify its then-current base level of daily firm service prior to September 1 of subsequent years, the current level shall continue for another one (1) year period. Customer must provide such election pursuant to the Notice requirement in Section 7 herein and must include at a minimum: customer name, account number and the base level of daily firm service volume in therms.
- 1.3. The initial base level of daily firm service volume is \_\_\_\_\_ therms.
- 1.4. The first volumes through the meter, on a daily basis, are billed as firm volumes until the base level of daily firm service volume is reached. All volumes used after the base level is reached are billed as interruptible volumes.
- 1.5. **Refusal or Disconnection of Service.** CenterPoint Energy will not initiate gas service until all equipment necessary for gas and alternative fuel operation for the interruptible service is installed and performs in compliance with applicable laws, ordinances and codes and Customer meets CenterPoint Energy's credit requirements.

CenterPoint Energy may refuse service or disconnect service without notice for the following reasons:

- Tampering with CenterPoint Energy's equipment;
- The existence of a condition hazardous to Customer; CenterPoint Energy's other customers, employees or equipment; or the public;
- Customer's use of equipment which adversely affects CenterPoint Energy's equipment or service to others.

CenterPoint Energy may refuse or disconnect service upon five days written notice for any of the following reasons:

- Customer's failure to pay a bill when due;
- Customer's violation of CenterPoint Energy's Rules and Regulations on file with the Public Utilities Commission or city having jurisdiction;
- Customer's breach of this Agreement;
- Customer's failure to provide CenterPoint Energy reasonable access to CenterPoint Energy's equipment;
- Customer's failure to furnish necessary service, equipment or rights-of-way which CenterPoint Energy has specified as a condition for obtaining service.

Disconnection does not relieve Customer of the responsibility to pay CenterPoint Energy for service previously rendered.

### Section 2. PRICE, BILLING AND PAYMENT PROCEDURES.

- 2.1. **Rate for Gas.** Customer will pay the gas rate in the applicable Small Volume Firm/Interruptible Sales Service Tariff approved by the applicable authority. CenterPoint Energy may increase or decrease the rate for changes in the cost of gas pursuant to its Purchased Gas Adjustment Clause.
- 2.2. **Taxes and Fees.** Customer will pay any tax or fee imposed on all or part of any sale of gas or the gross revenues derived from the sale of gas.
- 2.3. **Gas Used After Notice of Curtailment.** For all unauthorized gas used after notice of curtailment, Customer will pay the charge for Unauthorized Gas as specified in the Tariff. CenterPoint Energy will provide a 30-day notice of any increase in the charge for unauthorized use of gas.
- 2.4. **Billing and Payment.** CenterPoint Energy will bill Customer monthly. Payment is due by the due date noted on the bill.
- 2.5. **Late Payment Charge.** Late payment will be charged as specified in the Tariff.

### Section 3. CURTAILMENT.

- 3.4. **Curtailment.** Customer will provide CenterPoint Energy (and update as necessary) the names and telephone numbers of persons CenterPoint Energy should notify to curtail in Appendix B. Customer will curtail gas usage in excess of Customer's base level of daily firm service upon one hour's notice.

**Section 4. SERVICE LINES AND METERING EQUIPMENT.**

- 4.1. **Equipment Furnished by CenterPoint Energy.** CenterPoint Energy will install and maintain necessary gas mains and services, meter, remote meter reading equipment, and regulator equipment to supply natural gas to the CenterPoint Energy meter on Customer's premises. CenterPoint Energy may charge Customer for costs of installation consistent with CenterPoint Energy's Tariff. All equipment furnished by CenterPoint Energy will remain its property and CenterPoint Energy may remove its equipment upon termination of service to Customer.
- 4.2. **Customer's Equipment.** All piping and equipment downstream of the meter, including telephone lines and any necessary electrical power for remote meter reading equipment, will be installed and maintained by Customer and remain Customer's responsibility. Any inspection by CenterPoint Energy of Customer's piping and equipment will not impose any obligation or liability on CenterPoint Energy.
- 4.3. **Location on Customer's Premises.** Customer will, without expense to CenterPoint Energy, provide and maintain on the premises, at a location satisfactory to CenterPoint Energy, proper space for CenterPoint Energy's piping, meters, regulators and other equipment.
- 4.4. **Access to Equipment.** CenterPoint Energy representatives have the right at all reasonable times to have access to its equipment for any reason related to this Agreement, including the right to read meters, make inspections or repairs or remove CenterPoint Energy's equipment. Customer will obtain consent from its lessor, if any, for CenterPoint Energy to enter the premises for these purposes. Access will be granted at all times for emergency purposes.
- 4.5. **Safekeeping of CenterPoint Energy's Equipment.** Customer will provide for the safekeeping of CenterPoint Energy's meters and other equipment. Customer will reimburse CenterPoint Energy for the cost of any alterations to its property necessitated by Customer, and for any loss or damage to CenterPoint Energy's property due to negligence of Customer, its agents or employees. CenterPoint Energy may suspend or discontinue gas service until any such damage or loss is settled to its satisfaction.

**Section 5. ALTERNATIVE OR DUAL FUEL EQUIPMENT.**

- 5.1. **Alternative or Dual Fuel Capability.** Customer must have an operational alternate or dual fuel system installed sufficient to serve Customer's requirements in excess of its base level of daily firm service. The installation and maintenance of the alternate or dual fuel system must comply with applicable codes, ordinances and laws.
- 5.2. **Alternate Fuel Supply.** Customer will have access to sufficient alternate fuel supplies for all periods of curtailment.

**Section 6. TERM.**

This Agreement is effective on November 1, subsequent to the date of signing, pursuant to Section 1.2. Thereafter, the Agreement is effective for a minimum term of one (1) year and shall remain in effect until terminated by CenterPoint Energy pursuant to Section 1 or upon either party providing written notice of cancellation by September 1 of the following year. If this Agreement is not terminated as set forth herein, the terms and conditions of this Agreement shall automatically renew and continue in force for consecutive terms of one (1) year each, until terminated by either party upon not less than sixty (60) days prior written notice to the other party. This Agreement supersedes all prior written or oral agreements.

**Section 7. NOTICES.**

Notices, except as otherwise specified, will be sent to:  
CenterPoint Energy, Manager Energy Sales  
800 LaSalle Avenue, Floor ~~414~~  
Minneapolis, MN 55402 Phone: 612.321.4330

NAME	ADDRESS
TITLE	CITY, STATE, ZIP
TELEPHONE NUMBER	<b>(PLEASE NOTIFY CENTERPOINT ENERGY OF ANY CHANGES IN CONTACTS)</b>



**Section 8. ASSIGNMENT.**

This Agreement cannot be assigned without CenterPoint Energy's prior written approval. If Customer does not obtain approval, Customer will remain liable for payment of gas service.

**Section 9. WAIVER OF LIABILITY.**

CenterPoint Energy will not be liable for any loss, injury or damages; including any special, incidental or consequential damages; resulting from CenterPoint Energy's disconnection or refusal of service, or any interruption or curtailment of gas service.

**Section 10. APPLICABLE LAW AND REGULATION.**

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms or conditions of the Agreement, the Tariff shall govern. If a change in the Tariff 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 11. COMPLETE AGREEMENT.**

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

~~CENTERPOINT ENERGY, a division of~~  
~~CENTERPOINT ENERGY RESOURCES CORP.,~~  
~~d/b/a CenterPoint Energy Minnesota Gas~~

CUSTOMER(S)

By: \_\_\_\_\_

By: \_\_\_\_\_

~~Title:~~ \_\_\_\_\_

~~Title:~~ \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_



**AGREEMENT APPENDIX A**

EQUIPMENT	MMBTU/INPUT	ALTERNATE FUEL
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____
7. _____	_____	_____
8. _____	_____	_____
9. _____	_____	_____
10. _____	_____	_____

*(Attach additional pages if necessary)*

**ALTERNATE FUEL STORAGE CAPACITY**

*(Please notify CenterPoint Energy of any changes in equipment capacity)*

**AGREEMENT APPENDIX B**

CUSTOMER

SERVICE LOCATION

CITY

ZIP

CONTACT

TITLE

PHONE

**CURTAILMENT NOTICES**

1. _____	_____	_____
NAME	TITLE	
OFFICE PHONE	HOME PHONE	Cell Phone
2. _____	_____	_____
NAME	TITLE	
OFFICE PHONE	HOME PHONE	Cell Phone
3. _____	_____	_____
NAME	TITLE	
OFFICE PHONE	HOME PHONE	Cell Phone

*(Please notify CenterPoint Energy of any change in Curtailment Contacts.)*



**PROCESS INTERRUPTIBLE SALES SERVICE AGREEMENT**

This Agreement ("Agreement") is between ~~CenterPoint Energy, A division of~~ CenterPoint Energy Resources Corp., ~~d/b/a CenterPoint Energy Minnesota Gas~~, 800 LaSalle Avenue, Floor ~~4414~~, Minneapolis, Minnesota 55402 and \_\_\_\_\_ ("Customer") for natural gas service to Customer's facility located at \_\_\_\_\_, **Acct #** \_\_\_\_\_.

Customer has the ability to and agrees to discontinue the use of natural gas when requested by CenterPoint Energy and qualifies for service under CenterPoint Energy's Dual Fuel Sales Service with the exception that Customer does not maintain an alternate fuel capability. This Agreement allows Customer to receive the Dual Fuel Sales Service rate for natural gas usage at the above facility subject to the following conditions:

- a)- Customer agrees to discontinue the use of natural gas within one (1) hour notice by CenterPoint Energy's Gas Control Department.
- b)- Customer agrees to supply CenterPoint Energy with the names and phone numbers of three (3) current contact people authorized to receive notice of curtailment, such that at least one of the contacts must be within reach of CenterPoint Energy's Gas Control Department at all times.
- c)- Customer agrees to pay for telemetry equipment to be installed by CenterPoint Energy on the gas metering equipment serving the customer facility.
- d)- Customer agrees to hold CenterPoint Energy harmless from all claims or damages resulting from the loss of natural gas service resulting from curtailment or CenterPoint Energy's inability to deliver natural gas to customer's facility.
- e)- Customer must retain service under ~~this the Process Interruptible Sales Service~~ Rider for a minimum of one (1) year.

Customer is subject to all provisions of the Dual Fuel Sales Service Tariff except as otherwise noted herein.

This Agreement will take effect on \_\_\_\_\_ and will continue in effect for one (1) year; thereafter, it will continue for successive thirty (30) day periods until terminated by thirty (30) days written notice by either party. This Agreement will immediately terminate on any date on which any applicable statute, regulation or other jurisdictional authority renders it illegal, null or void. Additionally, this Agreement will be subject to termination immediately upon notice to Customer of its failure to meet its responsibilities as defined above or in the Dual Fuel Sales Service Tariff.

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

This Agreement may not be assigned without the written consent of the other party.

**CUSTOMER**

**~~CENTERPOINT ENERGY RESOURCES CORP.,  
A division of CenterPoint Energy Resources  
Corp.d/b/a CenterPoint Energy Minnesota Gas~~**

By: \_\_\_\_\_

By: \_\_\_\_\_

~~Its~~Title: \_\_\_\_\_

~~Its~~Title: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_



## CENTERPOINT ENERGY

### DAILY BALANCING SERVICE AGREEMENT

This Agreement ("Agreement") is between ~~CenterPoint Energy, a division of~~ CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, ("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 \_\_\_\_\_, ~~20020~~, 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.



**DAILY BALANCING SERVICE AGREEMENT**

**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 RESOURCES CORP.,  
a division of CenterPoint Energy Resources  
Corp.d/b/a CenterPoint Energy Minnesota Gas**

**CUSTOMER**

By: \_\_\_\_\_

By: \_\_\_\_\_

~~His~~ItsTitle: \_\_\_\_\_

~~His~~ItsTitle: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_



Always There.®

**QUESTIONS OR COMMENTS?**

CenterPoint Energy  
 PO Box 1144  
 Minneapolis, MN 55440-1144  
 (Address not for bill payment)  
 Monday-Friday Call 7 a.m.- 6 p.m.  
 Bill info 612-372-4727  
 Moving 612-372-4720  
 Credit 612-372-4680  
 CenterPointEnergy.com

**DID YOU KNOW?**

This section used for bill messages such as payment options, rate and refund information, etc.

**Keep this part of your bill.**

Customer name → John Doe  
 Account number → 0000000-0  
 Billing date → 2/01/2015  
 Date due → 2/28/2015  
 Total amount due → \$75.50

**ACCT SUMMARY**

	Other charges	Gas charges
Previous balance	\$0.00	\$65.00
Payment 12/10/2014	0.00	-65.00
Balance forward	\$0.00	\$0.00
Late fee 2/01/2015	0.00	0.00
Current billing	0.00	75.50
<b>Total amount due</b>	<b>\$0.00</b>	<b>\$75.50</b>

**SERVICE ADDRESS**

1234 Main St  
 Town, MN 55402

**YOUR GAS USAGE**

31 Day billing period 12/26/2014 to 1/26/2015  
 Current reading 12/26/2014 → 4651  
 Previous reading 1/26/2015 → 4562  
 Metered usage 89 CCF X Therm factor of 1.11872 = Therms used in 32 days = 100  
 Next meter reading 3/2/2015  
 Next billing date 3/3/2015

**YOUR BILL IN DETAIL**

Basic charge		\$9.50
Delivery charge	100 Therms @ \$0.17744	17.74
Gas Affordability Program charge	100 Therms @ \$0.00519	0.52
*Cost of gas	100 Therms @ \$0.47740	47.74
<small>*Includes a purchased gas adjustment of \$0.00000 CR</small>		
Sales tax		0.00
City franchise fee		0.00
<b>Total current charges</b>		<b>\$75.50</b>

**OTHER CHARGES DETAIL**

Avg daily gas use: This period this year 3.7 therms; this period last year 3.5 therms

Avg daily temp: This period this year 24° F; this period this year 23°



Always There.®

CENTERPOINT ENERGY  
 PO BOX 1144  
 MINNEAPOLIS MN 55440-1144

Mail this portion with payment. Please do not include letters or notes.

Account number 0000000-0  
 Date due 2/28/2015  
 Total amount due \$75.50  
 Amount paid \$

CENTERPOINT ENERGY  
 PO BOX 4671  
 HOUSTON TX 77210-4671



JOHN DOE  
 1234 MAIN ST  
 TOWN MN 55402



0420012201034 008200000318570146000000073940000000753110





Always There.™

**A SAFETY MESSAGE FROM CENTERPOINT ENERGY**  
 If you smell natural gas, leave immediately. Call our Gas Leak Hotline at 612-372-5050 or outstate at 1-800-722-9326.  
 ¡Si percibes un olor a gas natural, sal inmediatamente! Llama a nuestra línea telefónica para fugas de gas a uno de los números de teléfono que aparecen arriba.

**UNDERSTANDING YOUR BILL**

**Late payment details/due date.** Please pay your bill in time to reach our office by the due date shown on the front of your bill. Unpaid gas amounts over \$10 are charged a late payment fee of 1.5 percent (18 percent annual percentage rate) or \$1 minimum on the next billing date shown on your bill.

**Returned check charge.** There will be a \$10 charge for any check or Automatic Bank Draft payment your bank returns to us.

**New balance.** This is the difference between your previous balance and your payment, with any adjustments to your account, plus your current charges.

**Basic charge.** Partially covers fixed costs for reading meters, issuing bills, maintaining facilities and gas lines, postage, etc. These costs occur even if you do not use gas during a billing period.

**Delivery charge.** Recovers our cost of doing business not recovered through the basic charge. These costs include taxes, salaries, depreciation, interest, etc.

**Gas Affordability Program charge.** Covers all costs to offer a low-income customer co-pay program designed to reduce natural gas service disconnections. Billed to all non-interruptible customers.

**Cost of gas.** Covers the total costs paid by CenterPoint Energy to purchase and transport the natural gas you use. The cost per therm usually varies from month to month as the prices we pay producers and suppliers change. Customers pay only the wholesale cost of natural gas, which is passed through to customers without mark-up.

**Purchased gas adjustment.** This amount reflects the total difference between the base cost of gas established at the time of our last rate case in 2013 and the price paid to purchase and transport the gas you used during this billing period. This amount is included in the cost of gas figures.

**City franchise fee.** This is a fee charged by a city to utility companies that provide natural gas, electricity or cable service. Utilities will collect the fee from individual customers and pay it to the city. Utilities receive no revenue from this fee.

**Meter readings, CCFs, therm factor.** The difference between the current and previous meter readings shown on your bill measures the volume of gas you used in CCFs (hundreds of cubic feet). We multiply this difference by the therm factor to find total therms used. The therm factor adjusts gas volumes for heat content, delivery pressure and temperatures. Therms measure the heating value of gas; a therm equals 100,000 British Thermal Units.

**Estimated bills.** We try to read your meter regularly. Sometimes your meter is not read, and we estimate your bill. The estimate is

based on past usage and weather for the current billing period. To help avoid estimates, you can read your own meter; see below.

**How to read your own meter**



1. Draw on the dials above the exact position of the hands as they appear on your gas meter.
2. At least three days before the next Billing Date shown on the front of this bill, call CenterPoint Energy: 612-321-5080 (1-888-444-7397). Tell us your name, account number and the date you read the meter.
3. Give the exact position of the hands on the dials above, reading from left to right. Tell us the number the hand points to. If it is between two numbers, tell us the two numbers it is between.

**Factors affecting your gas bill.** Any one, or combination, of these factors can change the amount of your bill:

- Colder or warmer weather;
- Wholesale cost of gas;
- Differences in the number of days billed;
- Changes in living habits, number of people, appliances, or weatherization.

**Pay by automated phone or online.** Call the number listed on the front of your bill to make a payment or visit [CenterPointEnergy.com/selfservice](http://CenterPointEnergy.com/selfservice). Payment from your checking or savings account is free. Credit and debit card payments require a service fee, which is paid to a third party for processing.

**In accordance with the Federal Reserve Board guideline, personal checks that you send us may be processed electronically.** This means your check will not be returned by your financial institution and that the funds may be debited from your account as soon as the same day payment is received. Please contact the customer service number printed on your invoice with questions concerning this process. For further information, visit <http://www.federalreserve.gov/pubs/checkconvi/>.

**Moving?** Please call us at the number on the front of this bill at least two weeks before you move, or let us know online at [CenterPointEnergy.com/selfservice](http://CenterPointEnergy.com/selfservice). We will take gas service out of your name at your old address and make sure you have gas service at your new address when you need it. Thank you.

**Enroll in Automatic Bank Draft, and your monthly natural gas payment will be automatically deducted from your bank account.** To enroll, sign and date this form and return with your check payment (voided check not required). Money orders do not qualify for enrollment. Your next bill will be automatically deducted from the account listed on your check. For more information, or to enroll online, visit [CenterPointEnergy.com/autodraft](http://CenterPointEnergy.com/autodraft) or call 612-372-4727 (1-800-245-2377).

I authorize CenterPoint Energy to automatically deduct from the checking account as shown on my enclosed check all future payments for my CenterPoint Energy bills. I will notify CenterPoint Energy if I decide to cancel my use of Automatic Bank Draft. CenterPoint Energy also has the right to discontinue my Automatic Bank Draft enrollment. Once I enroll, I understand that any past due balances will be drafted from my account three days after my application is processed.

Account holder's signature \_\_\_\_\_ Date \_\_\_\_\_

CenterPoint Energy

**Large General Service(LGS)**

**Large General Service Rate Calculation: Effective December 1, 2014**

Line  
No.

**(No System Customers)**

1 There are currently no customers on this rate and no customers are forecasted to be on  
2 this rate in the test year. In order to derive a a rate for this class CenterPoint Energy  
3 used rate components for active classes with similar characteristics. This approach  
4 was used in both of CenterPoint Energy's last three rate cases, G-008/GR-04-901 and  
5 and G-008/GR-05-1380, and G-008/GR-08-1075

6 **Monthly Basic Charge:** \$ 800.00

7 The Large Dual Fuel authorized Monthly Basic Charge is \$600. To qualify for either tariff,  
8 LGS or LVDF, the customer must use 2000 therms a day.

9 **Demand Delivery Charge:** \$0.42539 per therm of billing demand

10 No change to current rate. This rate was developed in CenterPoint Energy's rate case  
11 Docket No. G-008/GR-05-1380. The customer's peak day usage is multiplied by the above rate  
12 and is billed monthly. The peak day usage is updated annually.

13 **Commodity Delivery Charge:** \$0.05034 per therm used

14 Since this class would be similar in size to the Large Volume Dual Fuel (LVDF) class,  
15 the commodity delivery charge equals the rate for the LVDF class.  
16 The LVDF authorized rate is \$0.05034 after the CCRC adjustment.

**Base Cost of Gas Calculation**

**(No System Customers)**

17 There are currently no customers on this rate and no customers are forecasted to be on  
18 this rate in the test year. In order to derive cost of gas recovery rates for this class CenterPoint Energy  
19 used cost components for active classes with similar characteristics.

20 **Demand Cost of Gas Recovery Rate** \$0.53259 per therm of billing demand

21 For the calculation of the Demand Cost Recovery rate, CenterPoint Energy used Commercial-C firm  
22 data. The Commercial-C class is the next largest firm class on CenterPoint Energy's system.

23	Industrial/Commercial-C, Test Year Demand costs:	\$17,495,992	1/
24	Industrial/Commercial-C, Relative Design Day Demand units:	2,737,570 therms	2/
25	Per unit Demand Cost Recovery Rate calculation:	0.53259	

26 **Commodity Cost of Gas Recovery Rate:** \$0.38805 per therm used

27 CenterPoint Energy used the Large Volume Dual Fuel (LVDF) test year cost of gas recovery rate.  
28 It is anticipated that volumetric usage of a large firm customer would be similar to customers  
29 in the LVDF class.

	<u>DT</u>	<u>Rate</u>	<u>Cost</u>
30 1/ Test year sales x demand cost recovery rate	22,745,700	0.7692	\$17,495,992
31 2/ peak day estimate			

COMPUTATION OF MAXIMUM AND MINIMUM MARKET RATE					
Line No.	Description (a)	Full Tariff Rate (\$/Therm) (b)	Minimum Rate (c)	Flexed Amount (d=b-c)	Maximum Rate (e=b+d)
1	<b>Sales Service and Transportation Services</b>				
2	<u>Commercial/Industrial</u>				
3	Annual usage greater than 5000 Therms				
4		0.15652	0.00500	0.15152	0.30804
5					
6	<u>Large General Service</u>				
7	Demand (Peak Day)	0.42539	0.00000	0.42539	0.85078
8	Commodity	0.05034	0.00500	0.04534	0.09568
9					
10	<u>Small Volume Dual Fuel</u>				
11	Annual usage less than 120,000 therms				
12	A	0.11409	0.00500	0.10909	0.22318
13	Annual usage greater than 120,000 Therms				
14	B	0.10697	0.00500	0.10197	0.20894
15					
16	<u>Large Dual Fuel</u>	0.05034	0.00500	0.04534	0.09568

**CenterPoint Energy  
GAP Rate**

Line No.		<u>Amount</u>
1	Current Expense	\$ 5,000,000.00 /1/
2	Total Throughput	96,254,200 /2/
3	Test Year Rate (line 1 divide by line 2)	<u>\$ 0.0519</u>

/1/ In the Company's 2005 rate case, Docket No. G-008/GR-05-1380 the Commission approved a gas affordability program (GAP) under Minn. Stat. §216B.16, subd. 15

/2/ Sch A-2c, Part 2

Page 1 of 10, Line 2: Residential Sales Plus Page 2 of 10, line 34: Commercial/  
Industrial Firm Sales total

**CenterPoint Energy  
CCRC Rate**

Line No.		<u>Amount</u>
1	Current Expense	\$ 24,664,167 /1/
2	Total Throughput	159,203,860 /2/
3	Large Energy Facility Throughput Exemptions	<u>25,802,756 /3/</u>
4	Test Year Throughput (DTs) (line 2 minus line 3)	<u>133,401,104 /4/</u>
5	Test Year Rate (line 1 divide by line 4)	<u><u>\$ 0.1849</u></u>

/1/ Exhibit\_\_(KRN-WP), Volume 1, Schedule 8, Workpaper 5  
ALJ Order Dated April 9, 2014, Page 169, Ordering point 772  
PUC Order, June 9, 2014, Ordering Point 4, Page 57

/2/ Sch A-2c, Part 2  
Page 10 of 10, Line 4: Total Sales (after Curtail)

/3/ Sch A-2c, Part 2  
Page 10 of 10, Line 3: CIP Exempt Volumes

/4/ Schedule A-2c, Part 2  
Page 10 of 10, Line 11: CCRC volumes

**Docket No. G-008/GR-13-316**

**COMPLIANCE FILING**

**SCHEDULE C**

**CENTERPOINT ENERGY**

**CUSTOMER NOTICES**

Commission Order, page 61, paragraph 29, part C.

C1 - Proposed customer notices explaining the final rates, and the monthly customer charge.

C2 - Calculation for the estimated average residential interim rate refund.  
(supports value in bill insert)

See also the communication plan section of this compliance filing for additional information on customer communications.



## **NEW NATURAL GAS DISTRIBUTION RATES APPROVED IN 2014**

### **Charges begin with the enclosed bill**

In August 2013, CenterPoint Energy filed a request with the Minnesota Public Utilities Commission (MPUC) to change its rates for utility distribution service. The filing, known as a rate case, sought to increase the company's annual revenues by \$44.3 million.

### **MPUC approves new rates**

The MPUC approved an annual revenue increase of approximately \$32.9 million, or 3.9 percent. Under the final order, the monthly Basic Charge for residential customers will increase from \$8.00 to \$9.50, and the per therm Delivery Charge increases from \$0.16637 to \$0.17744.

**The new rates approved by the MPUC also includes an important change – see inside for an explanation of the new revenue decoupling pilot program that will start next year**

## RATES VARY BY CUSTOMER TYPE/CLASS

Rate changes will affect individual monthly bills differently depending on the amount of natural gas used and the customer's rate class. The effect on an average residential customer's bill (who uses approximately 900 therms in a year) will be an increase of about \$2.30 per month, or \$28 per year. Bills will also vary because the wholesale cost of natural gas changes each month.



Customers' bills contain three parts: Basic Charge, Delivery Charge and Cost of Gas, which is passed through directly to customers without mark-up. The proposed Basic Charges and Delivery Charges recover only the cost of providing utility distribution service to our customers. They do not include wholesale gas costs – which make up about 60-70 percent of the bill.

<b>Monthly Basic Charges:</b>	<b>Current</b>	<b>New</b>
Residential	\$8.00	\$9.50
C/I-A	\$12.00	\$15.00
C/I-B	\$18.00	\$21.00
C/I-C	\$43.00	\$43.00
SVDF-A	\$60.00	\$50.00
SVDF-B	\$90.00	\$80.00
LVDF	\$600.00	\$800.00

<b>Delivery Charges (per therm):</b>	<b>Current</b>	<b>New</b>
Residential	\$0.16637	\$0.17744
C/I-A	\$0.14680	\$0.13300
C/I-B	\$0.14422	\$0.15649
C/I-C	\$0.13362	\$0.15652
SVDF-A	\$0.09941	\$0.11409
SVDF-B	\$0.09420	\$0.10697
LVDF	\$0.04270	\$0.05034

*Note: The current and new per therm delivery charges do not include the per therm charge for the Conservation Improvement Program Adjustment Rider (\$0.00659 per therm) that is used to recover conservation costs not included in base rates.*





**Refunds on interim rates.** State law allowed CenterPoint Energy to collect interim (temporary) rates while the MPUC considered its rate case. The company began collecting annual interim rates of \$42.9 million, on Oct. 1, 2013. Since the final rate increase is less than the interim

rate increase, the company will refund the difference, with interest, as well as other adjustments beginning in December bills in 2014. A typical residential customer's refund will be about \$11.

### New pilot program to start July 2015

Revenue decoupling separates the link between the amount of revenue CenterPoint Energy collects from its customers and changes in the amount of natural gas they use. Revenue decoupling will allow CenterPoint Energy to automatically adjust its rates for residential, commercial and small industrial customers once each year. These rate adjustments allow CenterPoint Energy to adjust its rates up or down each year to make up for any short fall or excess in sales revenue that is not due to weather. The purpose of revenue decoupling is to motivate CenterPoint Energy to promote energy conservation and energy efficiency. This pilot program will start with July 2015 usage and the first decoupling rate adjustment will appear on customer bills in fall 2016. We will provide more information on the decoupling pilot program in the future.

<b>Customer type (usage in therms)</b>	<b>Avg monthly usage in therms</b>	<b>Avg monthly bill current rates</b>	<b>Avg monthly bill new rates</b>
<b>Residential - Small</b>	37	\$32.00	\$33.92
<b>- Medium</b>	73	\$55.35	\$57.68
<b>- Large</b>	110	\$79.35	\$82.10
<b>Commercial/Industrial</b>			
<b>Up to 1,500/year</b>	60	\$50.00	\$52.00
<b>1,500 to 5,000/year</b>	226	\$160.00	\$166.00
<b>5,000 or more/year</b>	1,137	\$741.00	\$767.00
<b>Small Volume Dual Fuel Sales Service</b>			
<b>Up to 120,000/year</b>	3,800	\$1,995.00	\$2,041.00
<b>120,000 or more/year</b>	13,745	\$7,017.00	\$7,182.00
<b>Large Volume Dual Fuel Sales Service</b>	70,000	\$30,752.00	\$31,487.00



## HOW TO LEARN MORE

To learn more visit our website at [CenterPointEnergy.com/RateCase](http://CenterPointEnergy.com/RateCase) and take advantage of our online calculator to learn about how reducing your natural gas consumption can lower your monthly bill.

### For more information

You are invited to visit our website at [CenterPointEnergy.com/RateCase](http://CenterPointEnergy.com/RateCase)

#### Residential

612-372-4727 • 800-245-2377

#### Business

Call your account manager or the Business Customer Hotline

612-321-4939 • 877-809-3803



**CENTERPOINT ENERGY**

**Estimated Residential Rate Refund**

For Customer Notice use \$11 for estimated interim rate refund for residential customers.  
 Customers Notices will be updated to reflect updated data if needed.

**Method One**

		Average Residential		
		<u>Usage - Therms</u>		
<u>Line No.</u>	(a)	(b)	(c)	
1	Oct-13	26	Prorated	
2	Nov-13	87		
3	Dec-13	203		
4	Jan-14	209		
5	Feb-14	174		
6	Mar-14	132		
7	Apr-14	69		
8	May-14	40		
9	Jun-14	14		
10	Jul-14	18		
11	Aug-14	14	Estimated	
12	Sep-14	16	Estimated	
13	Oct-14	27	Estimated	
14	Nov-14	61	Estimated	
15		<u>1,090</u>		
16				
17				
18	Interim \$ billed Calculation			
19	<u>Months</u>			
20	14	\$8.00	\$112.00	
21	<u>Therms</u>			
22	1,090	\$0.68733	<u>\$749.19</u>	
23			\$861.19	
24	<u>Interim %</u>	4.88%		
25			\$42.03 Estimated Interim Charges	
26			<u>0.25198</u> Estimated Refund Factor	
27			<b>\$11</b> Estimated Residential Refund	
28				
29				

**Method Two**

31	\$32,252,788	Estimated Residential Interim Charges
32	<u>0.25198</u>	Estimated Refund Factor
33	\$8,126,928	Estimated Residential Refunds
34	754,000	Estimated Residential Customers
35		
36	\$11	Estimated Residential Refund
37		

Note: Used two different methods to check reasonableness of estimated residential refund.

**CENTERPOINT ENERGY**

**BASE COSTS OF GAS**

Commission Order, page 61, paragraph 29, part D

A revised base cost of gas and supporting schedules incorporating any changes made as a result of this rate case, and automatic adjustments establishing the proper adjustments to be in effect at the time final rates are implemented.

**Exhibits**

- D1: Base Cost of Gas Change – Cost of Gas Factors by class  
*Summarizes changes from current Interim Base Rates*
- D2: Test Year Base COG to Final Rate COG  
*Summarizes changes from current Interim Base Rates*
- D3: Calculation of Cost of Gas Cost Recovery Components  
Demand, Commodity, Total  
*Based on December 23, 2013 compliance filing*
- D4: Large General Service (LGS)-Demand Cost Recovery Rate and  
Commodity Cost of Gas Recovery Rate

Base Cost of Gas Change:

Effective December 1, 2014

COST OF GAS RECOVERY RATE-PER THERM							
Line No.	Description (a)	Commodity (b)	Demand (c)	Subtotal (b + c) (d)	GCR Factor (e)	Total Rate (d + e) (f)	
1	<b>FIRM:</b>						
2							
3	<u>Residential</u>						
4	OLD	Interim Base Rate	0.43014	0.07692	0.50706	0.00000	0.50706
5		Adjustement	(0.02966)	0.00000	(0.02966)	0.00000	(0.02966)
6	NEW	Base Recovery Rate	0.40048	0.07692	0.47740	0.00000	0.47740
7							
8							
9	<u>Commercial/Industrial A and B</u>						
10	OLD	Interim Base Rate	0.43068	0.07692	0.50760	0.00000	0.50760
11		Adjustement	(0.02887)	0.00000	(0.02887)	0.00000	(0.02887)
12	NEW	Base Recovery Rate	0.40181	0.07692	0.47873	0.00000	0.47873
13							
14							
15	<u>Commercial/Industrial C</u>						
16	OLD	Interim Base Rate	0.42828	0.07692	0.50520	0.00000	0.50520
17		Adjustement	(0.03022)	0.00000	(0.03022)	0.00000	(0.03022)
18	NEW	Base Recovery Rate	0.39806	0.07692	0.47498	0.00000	0.47498
19							
20							
21	<u>Large General Service</u>						
22	OLD	Interim Base Rate	0.42330	0.53259	0.42330	0.00000	0.42330
23		Adjustement	(0.03525)	0.00000	(0.03525)	0.00000	(0.03525)
24	NEW	Base Recovery Rate	0.38805	0.53259	0.38805	0.00000	0.38805
25	1/ Demand cost is based on Peak Day. Total Rate reflects only Commodity costs						
26							
27							
28							
29	<u>Large Volume Dual Fuel</u>						
30	OLD	Interim Base Rate	0.42330	0.00000	0.42330	0.00000	0.42330
31		Adjustement	(0.03525)	0.00000	(0.03525)	0.00000	(0.03525)
32	NEW	Base Recovery Rate	0.38805	0.00000	0.38805	0.00000	0.38805

**Effective: December 1, 2014**

<b>ADJUSTMENT OF TEST YEAR BASE COST OF GAS RATE TO FINAL COST OF GAS RATE</b>				
Line No.	Description (a)	Test Year Base Rate (b)	Adjustment (c)	FINAL Base Rate (d)
1	<b>FIRM SALES SERVICE</b>			
2				
3	<u>Residential</u>			
4	Basic Charge	\$ 8.00		\$ 9.50
5	Delivery Charge	0.16637		0.17744
6	GAP Charge	0.00490		0.00519
7	Cost of Gas	0.50706	-0.02966	0.47740
8	Total Rate	0.67833		0.66003
9				
10	<u>Commercial A</u>			
11	Basic Charge	\$ 12.00		\$ 15.00
12	Delivery Charge	0.14680		0.13300
13	GAP Charge	0.00490		0.00519
14	Cost of Gas	0.50760	-0.02887	0.47873
15	Total Rate	0.6593		0.61692
16				
17	<u>Commercial/Industrial B</u>			
18	Basic Charge	\$ 18.00		\$ 21.00
19	Delivery Charge	0.14422		0.15649
20	GAP Charge	0.00490		0.00519
21	Cost of Gas	0.50760	-0.02887	0.47873
22	Total Rate	0.65672		0.64041
23				
24	<u>Commercial/Industrial C</u>			
25	Basic Charge	\$ 43.00		\$ 43.00
26	Delivery Charge	0.13362		0.15652
27	GAP Charge	0.00490		0.00519
28	Cost of Gas	0.50520	-0.03022	0.47498
29	Total Rate	0.64372		0.63669
30				
31	<u>Large General Service</u>			
32	Basic Charge	\$ 600.00		\$ 800.00
33	Demand Charge (per unit of Peak Day Demand)			
34	Delivery Charge	0.42539		0.42539
35	Cost of Gas	0.53259	0	0.53259
36	Total Demand	0.95798		0.95798
37	Commodity Charge (Per Therm usage)			
38	Delivery Charge	0.04270		0.05034
39	Cost of Gas	0.42330	-0.03525	0.38805
40	Total Commodity	0.46600		0.43839
41				

**Effective: December 1, 2014**

<b>ADJUSTMENT OF TEST YEAR BASE COST OF GAS RATE TO FINAL COST OF GAS RATE</b>				
Line No.	Description (a)	Test Year Base Rate (b)	Adjustment (c)	FINAL Base Rate (d)
42	<b>DUAL FUEL: SALES SERVICE</b>			
43				
44	<u>Small Volume Dual Fuel-A</u>			
45	Basic Charge	\$ 60.00		\$ 50.00
46	Delivery Charge	0.09941		0.11409
47	Cost of Gas	0.44130	-0.03156	0.40974
48	Total Rate	0.54071		0.52383
49				
50	<u>Small Volume Dual Fuel-B</u>			
51	Basic Charge	\$ 90.00		\$ 80.00
52	Delivery Charge	0.09420		0.10697
53	Cost of Gas	0.44130	-0.03156	0.40974
54	Total Rate	0.53550		0.51671
55				
56	<u>Large Volume Dual Fuel</u>			
57	Basic Charge	\$ 600.00		\$ 800.00
58	Delivery Charge	0.04270		0.05034
59	Cost of Gas	0.42330	-0.03525	0.38805
60	Total Rate	0.46600		0.43839
61				
62	<b>TRANSPORTATION SERVICE</b>			
63				
64	<u>Commercial/Industrial C</u>			
65	Basic Charge	\$ 143.00		\$ 143.00
66	Delivery Charge	0.13362		0.15652
67	GAP Charge	0.00490		0.00519
68	Total Rate	0.13852		0.16171
69				
70	<u>Small Volume Dual Fuel-A</u>			
71	Basic Charge	\$ 160.00		\$ 150.00
72	Delivery Charge	0.09941		0.11409
73				
74	<u>Small Volume Dual Fuel-B</u>			
75	Basic Charge	\$ 190.00		\$ 180.00
76	Delivery Charge	0.09420		0.10697
77				
78	<u>Large Volume Dual Fuel</u>			
79	Basic Charge	\$ 700.00		\$ 900.00
80	Delivery Charge	0.04270		0.05034

Docket No. G-008/GR-13-316

**CenterPoint Energy**  
**Demand Cost of Gas Recovery Rate**  
**Test Year - Twelve Months Ending September 30, 2014**

Line No.	Description (a)	(b)
1	<b>Total Company</b>	
2	Small Volume Firm Recovery Rate Calculation	
3	Annual Demand Costs	\$74,040,312
4	Annual Firm Sales	<u>96,254,200</u>
5	Small Volume Recovery Rate	<u><u>\$0.7692</u></u>
6	Test Year Demand Costs	
7	Annual Firm Sales	96,254,200
8	Small Volume Recovery Rate	<u>\$0.7692</u>
9	Total Test Year Demand Costs	<u><u>74,039,000</u></u>



## Docket No. G-008/GR-13-316

**CenterPoint Energy**  
**Commodity Cost of Gas Recovery Rate**  
**Test Year - Twelve Months Ending September 30, 2014**

Line No.	Description (a)	Test Year Sales (b)	Recovery Rate (c)	Commodity Costs (d)
<b>Total Company</b>				
1	Residential	66,414,500	\$4.0048	\$265,976,790
2	Comm/Ind Firm A	2,300,300	4.0181	\$9,242,835
3	Comm/Ind Firm B	4,793,700	4.0181	\$19,261,566
4	Comm/Ind Firm C	22,745,700	3.9806	\$90,541,533
5	Small Dual Fuel A	9,688,000	4.0974	\$37,004,849
6	Small Dual Fuel B	6,728,400	4.0974	\$23,160,963
7	Large Volume	<u>46,533,261</u>	<u>3.8805</u>	<u>\$41,349,080</u>
8	TOTAL	<u>159,203,861</u>		<u>\$ 486,537,617</u>

- Recovery Rate - Compliance Filing - Update to Commodity Cost of Gas - 12/23/2013

- Commodity Costs from Detailed Billing Determinants based on ALJ Recommendations

**CenterPoint Energy**  
**Summary of Cost of Gas**  
**Test Year - Twelve Months Ending September 30, 2014**  
**(\$000s)**

Line No.	Description (a)	Actual Per Books (b)	Adjustments (c)	Test Year Cost of Gas (d)
1	<b>Total Company</b>			
2	Demand	76,359	(2,320)	74,039 1/
3	Commodity	397,834	88,704	486,538
4	Gas Cost Adjustment	<u>(23,825)</u>	<u>23,825</u>	<u>-</u>
5	Total Cost of Gas	<u><u>450,368</u></u>	<u><u>110,209</u></u>	<u><u>560,577</u></u>

1/ Includes propane costs of \$163,000.

CenterPoint Energy

**Large General Service(LGS)**

**Large General Service Rate Calculation - Effective December 1, 2014**

Line  
No.

**(No System Customers)**

1 There are currently no customers on this rate and no customers are forecasted to be on  
2 this rate in the test year. In order to derive a a rate for this class CenterPoint Energy  
3 used rate components for active classes with similar characteristics. This approach  
4 was used in both of CenterPoint Energy's last three rate cases, G-008/GR-04-901 and  
5 and G-008/GR-05-1380, and G-008/GR-08-1075

6 **Monthly Basic Charge:** \$ 800.00

7 The Large Dual Fuel authorized Monthly Basic Charge is \$600. To qualify for either tariff,  
8 LGS or LVDF, the customer must use 2000 therms a day.

9 **Demand Delivery Charge:** \$0.42539 per therm of billing demand

10 No change to current rate. This rate was developed in CenterPoint Energy's rate case  
11 Docket No. G-008/GR-05-1380. The customer's peak day usage is multiplied by the above rate  
12 and is billed monthly. The peak day usage is updated annually.

13 **Commodity Delivery Charge:** \$0.05034 per therm used

14 Since this class would be similar in size to the Large Volume Dual Fuel (LVDF) class,  
15 the commodity delivery charge equals the rate for the LVDF class.  
16 The LVDF authorized rate is \$0.05034 after the CCRC adjustment.

**Base Cost of Gas Calculation**

**(No System Customers)**

17 There are currently no customers on this rate and no customers are forecasted to be on  
18 this rate in the test year. In order to derive cost of gas recovery rates for this class CenterPoint Energy  
19 used cost components for active classes with similar characteristics.

20 **Demand Cost of Gas Recovery Rate** \$0.53259 per therm of billing demand

21 For the calculation of the Demand Cost Recovery rate, CenterPoint Energy used Commercial-C firm  
22 data. The Commercial-C class is the next largest firm class on CenterPoint Energy's system.

23	Industrial/Commercial-C, Test Year Demand costs:	\$17,495,992	1/
24	Industrial/Commercial-C, Relative Design Day Demand units:	2,737,570 therms	2/
25	Per unit Demand Cost Recovery Rate calculation:	0.53259	

26 **Commodity Cost of Gas Recovery Rate:** \$0.38805 per therm used

27 CenterPoint Energy used the Large Volume Dual Fuel (LVDF) test year cost of gas recovery rate.  
28 It is anticipated that volumetric usage of a large firm customer would be similar to customers  
29 in the LVDF class.

	<u>DT</u>	<u>Rate</u>	<u>Cost</u>
30	1/ Test year sales x demand cost recovery rate	22,745,700	\$17,495,992
31	2/ peak day estimate	0.7692	

**CENTERPOINT ENERGY**

**Other Rate Riders and Charges in Effect and Continuing**

Commission Order, page 61, paragraph 29, part E

A summary listing of all other rate riders and charges in effect, and continuing, after the date final rates are implemented.

The following Schedule E lists each rate rider along with the rate mechanism, identification of whether or not it is an optional rate to the customer, and the rate rider factor in effect at the time of final rates, December 1, 2014.

The rates listed are those which have been approved by the Commission that are currently in effect.

Schedule E includes;

1. Rider mechanisms such as the Purchased Gas Adjustment Rider (PGA) and Conservation Improvement Program Rider (CIP) which are designed and implemented to track and recover specific cost components of utility operations.

Schedule E does not include;

1. Tariff riders such as Market Rate Service rider, Daily Balancing Service rider, Standby Peaking Sales Service rider, Process Interruptible Sales Service rider, Large Commercial/Industrial Credit Policy rider and the Conservation Enabling rider.
2. Charges for customer requested work (Tariff section VI page 41) or other specific charges such as reconnect fee or returned check charge.

## CenterPoint Energy

### Summary Listing of All Rate Riders and Charges

Optional Rate to Customer?	Type of Charge	Rider Name	Rate Effective December 1, 2014
Yes	Base Rates	New Area Surcharge Rider	None currently in effect, Varies by Area
No unless granted exemption	Base Rates	Conservation Cost Recovery Charge (CCRC) Conservation Improvement Program Adjustment Rider (CCRA)*	Base Charge per Therm (CCRC) \$0.01849 Adjustment per Therm (CCRA) \$0.00659
No	Base Rates	Purchased Gas Adjustment Rider	Updated Monthly
No	Community Imposed Surcharge	Franchise Fee Rider	Varies by community - See Tariff pages 24 & 24a of Section V.
No	Base Rates	Gas Affordability Service Program	Firm Customers; \$0.00519 per therm

\*Currently the CCRA rate is under review in Docket No. G-008/M-14-368, the proposed CCRA is \$0.00884 per therm. See the attached tariff.

**CONSERVATION IMPROVEMENT PROGRAM ADJUSTMENT RIDER**

**Applicability:**

Applicable to bills for gas and/or transportation service provided under the Company’s retail rate schedules.

Exemptions are as follows:

“Large Energy Facility”, as defined in Minn. Stat. 216B.2421 customers shall receive a monthly exemption from conservation improvement program (CIP) charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Upon exemption from conservation program charges, the “Large Energy Facility” customers can no longer participate in any utility’s Energy Conservation Improvement Program.

“Large Customer Facility” customers that have been exempted from the Company’s CIP charges pursuant to Minn. Stat. 216B.241, subd. 1a (b) shall receive a monthly exemption from CIP charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Such monthly exemption will be effective beginning January 1 of the year following the grant of exemption. Upon exemption from the conservation program charges, the “Large Customer Facility” customers can no longer participate in CenterPoint Energy’s Energy Conservation Improvement Program.

Minnesota Stat. 216B.241, subd. 1a(c) which allows exemption of certain commercial gas customers does not apply to CenterPoint Energy because the Company’s customer count exceeds the 600,000 level set in statute.

**Rate:**

BASE CHARGE PER THERM (CCRC)	ADJUSTMENT (CCRA)
\$0.01866	\$0. <del>00659</del> 00884

**Rider:**

A Conservation Improvement Program Adjustment which shall be included on each non-exempt customer’s monthly bill. The applicable factor shall be multiplied by the customer’s monthly billing in Therms for gas service before any adjustments, surcharges or sales tax.

**Determination of Conservation Cost Recovery Charge (CCRC or Base Charge per Therm):**

The CCRC is the amount included in base rates dedicated to the recovery of CIP costs as approved by the Minnesota Public Utilities Commission in the Company’s last general rate case. The CCRC is approved and applied on a per therm basis by dividing test-year CIP expenses by the test-year sales volumes (net of CIP-exempt volumes). All revenue received from the CCRC shall be credited to the CIP tracker account.

**CENTERPOINT ENERGY**

**Conservation Improvement Program (CIP) Tracker Balance  
(CCRC and CCRA)**

Commission Order, page 61, paragraph 29, part F

CenterPoint Energy has provided the following information related to the CIP tracker.

- Pages 1-6 – Workpapers calculating the monthly balance in the CIP Tracker from December 31, 2012 through the anticipated date when final rate are effective.
- Pages 7 & 8 – CIP Tracker Carrying Charge restatement to final rates as explained below and the allowed return calculation.
- Page 9 – CIP Tracker restatement to final rates as explained below.
- Page 10 – CIP Cost recover charge (CCRC) for Final Rates.

In general, CenterPoint Energy uses the Interim Rates CCRC to track CIP recoveries from the beginning of the test year until final rates are determined. When final rates are determined, the CIP Tracker is restated by making an accounting entry at the time that Final Rates are implemented.

The restatement of the CIP Tracker is consistent with the MPUC Order Rejecting Accounting Treatment in Compliance Filings, dated December 29, 1993, Docket No. G-008/GR-92-400. The Order states, “At the time of the Commission’s final rate case decision, the utility’s revenue requirement is determined. This is the level that is applied in the rate case, and the interim rate formula is superseded.” The Order further states, “The Minnesota rate case statute thus clearly contemplates a final determination of revenue requirement and rates which is applied retroactively to the point at which rates had first been adjusted on an interim basis.”

**CenterPoint Energy**  
**CIP Tracker Beginning Balance**

December 31, 2012 Balance \$ 14,225,552.00 /1/

/1/ 2012 CIP Tracker balances and activity were approved in  
Docket No. G-008/M-13-373 on October 18, 2013



**CenterPoint Energy  
 CIP Tracker**

SAP Acct 269030	Throughput DT	Rate per DT	CIP Tracker Debit (Credit)
December 2012 Balance	A		<u>14,225,552.00</u> /1/
<b>January 2013</b>			
CCRC Recovery	25,063,729	0.06440 /2/	(1,614,104.15)
CCRA Recovery	6,285,101	0.09810 /3/	(616,568.33)
CCRA Recovery	18,778,628	0.14260 /4/	(2,677,832.31)
Deferred Expense			1,803,994.03
<i>Subtotal</i>			<u>11,121,041.24</u>
Carrying Charges			61,330.00
January 2013 Balance	A		<u>11,182,371.24</u>
<b>February 2013</b>			
CCRC Recovery	23,188,353	0.06440 /2/	(1,493,329.93)
CCRA Recovery	23,188,353	0.14260 /4/	(3,306,659.14)
Deferred Expense			1,582,375.61
<i>Subtotal</i>			<u>7,964,757.78</u>
Carrying Charges			43,924.00
February 2013 Balance	A		<u>8,008,681.78</u>
<b>March 2013</b>			
CCRC Recovery	19,955,852	0.06440 /2/	(1,285,156.87)
CCRA Recovery	19,955,852	0.14260 /4/	(2,845,704.50)
Deferred Expense			1,236,917.56
<i>Subtotal</i>			<u>5,114,737.97</u>
Carrying Charges			28,207.00
March 2013 Balance	A		<u>5,142,944.97</u>
<b>April 2013</b>			
CCRC Recovery	16,288,295	0.06440 /2/	(1,048,966.15)
CCRA Recovery	16,288,295	0.14260 /4/	(2,322,710.87)
Deferred Expense			972,410.28
<i>Subtotal</i>			<u>2,743,678.23</u>
Carrying Charges			15,131.00
April 2013 Balance	A		<u>2,758,809.23</u>
<b>May 2013</b>			
CCRC Recovery	11,484,148	0.06440 /2/	(739,579.13)
CCRA Recovery	11,484,148	0.14260 /4/	(1,637,639.50)
Deferred Expense			1,670,940.79
<i>Subtotal</i>			<u>2,052,531.39</u>
Carrying Charges			11,319.00
May 2013 Balance	A		<u>2,063,850.39</u>

**CenterPoint Energy  
 CIP Tracker**

SAP Acct 269030	Throughput DT	Rate per DT	CIP Tracker Debit (Credit)
<b>June 2013</b>			
CCRC Recovery	5,596,199	0.06440 /2/	(360,395.22)
CCRA Recovery	5,596,199	0.14260 /4/	(798,017.98)
Deferred Expense			1,232,710.33
<i>Subtotal</i>			<u>2,138,147.52</u>
Carrying Charges			11,791.00
June 2013 Balance	A		<u><u>2,149,938.52</u></u>
<b>July 2013</b>			
CCRC Recovery	4,177,289	0.06440 /2/	(269,017.41)
CCRA Recovery	4,177,289	0.14260 /4/	(595,681.41)
Deferred Expense			1,577,013.59
<i>Subtotal</i>			<u>2,862,253.29</u>
Carrying Charges			15,785.00
July 2013 Balance	A		<u><u>2,878,038.29</u></u>
<b>August 2013</b>			
CCRC Recovery	4,109,723	0.06440 /2/	(264,666.16)
CCRA Recovery	4,109,723	0.14260 /4/	(586,046.50)
Deferred Expense			1,428,447.18
<i>Subtotal</i>			<u>3,455,772.81</u>
Carrying Charges			19,058.00
August 2013 Balance	A		<u><u>3,474,830.81</u></u>
<b>September 2013</b>			
CCRC Recovery	3,972,177	0.06440 /2/	(255,808.20)
CCRA Recovery	3,972,177	0.14260 /4/	(566,432.44)
Deferred Expense			986,476.41
<i>Subtotal</i>			<u>3,639,066.58</u>
Carrying Charges			20,069.00
September 2013 Balance	A		<u><u>3,659,135.58</u></u>
<b>October 2013</b>			
CCRC Recovery	5,118,866	0.18660 /5/	(955,180.40)
CCRA Recovery	5,118,866	0.14260 /4/	(729,950.29)
Deferred Expense			1,788,615.45
Financial Incentive			3,207,411.00 /6/
<i>Subtotal</i>			<u>6,970,031.34</u>
Carrying Charges			37,608.00
October 2013 Balance	A		<u><u>7,007,639.34</u></u>
<b>November 2013</b>			
CCRC Recovery	10,623,256	0.18660 /5/	(1,982,299.57)
CCRA Recovery	10,623,256	0.06590 /7/	(700,072.57)
Deferred Expense			2,115,589.31
<i>Subtotal</i>			<u>6,440,856.51</u>
Carrying Charges			34,753.00
November 2013 Balance	A		<u><u>6,475,609.51</u></u>

**CenterPoint Energy  
 CIP Tracker**

SAP Acct 269030	Throughput DT	Rate per DT	CIP Tracker Debit (Credit)
<b>December 2013</b>			
CCRC Recovery	19,196,267	0.18660 /5/	(3,582,023.42)
CCRA Recovery	19,196,267	0.06590 /7/	(1,265,034.00)
Deferred Expense			6,826,888.59
<i>Subtotal</i>			<u>8,455,440.68</u>
Carrying Charges			45,623.00
December 2013 Balance	A		<u><u>8,501,064.00</u></u> /8/
<b>January 2014</b>			
CCRC Recovery	29,872,598	0.18660 /5/	(5,574,226.79)
CCRA Recovery	29,872,598	0.06590 /7/	(1,968,604.21)
Deferred Expense			1,471,241.78
<i>Subtotal</i>			<u>2,429,474.78</u>
Carrying Charges			13,109.00
January 2014 Balance	A		<u><u>2,442,583.78</u></u>
<b>February 2014</b>			
CCRC Recovery	26,420,927	0.18660 /5/	(4,930,144.99)
CCRA Recovery	26,420,927	0.06590 /7/	(1,741,139.10)
Deferred Expense			1,555,165.80
<i>Subtotal</i>			<u>(2,673,534.51)</u>
Carrying Charges			(14,426.00)
February 2014 Balance	A		<u><u>(2,687,960.51)</u></u>
<b>March 2014</b>			
CCRC Recovery	24,500,179	0.18660 /5/	(4,571,733.50)
CCRA Recovery	24,500,179	0.06590 /7/	(1,614,561.80)
Deferred Expense			2,280,920.63
<i>Subtotal</i>			<u>(6,593,335.18)</u>
Carrying Charges			(35,575.00)
March 2014 Balance	A		<u><u>(6,628,910.18)</u></u>
<b>April 2014</b>			
CCRC Recovery	16,793,132	0.18660 /5/	(3,133,598.46)
CCRA Recovery	16,793,132	0.06590 /7/	(1,106,667.40)
Deferred Expense			1,734,258.10
<i>Subtotal</i>			<u>(9,134,917.94)</u>
Carrying Charges			(49,289.00)
April 2014 Balance	A		<u><u>(9,184,206.94)</u></u>
<b>May 2014</b>			
CCRC Recovery	10,731,232	0.18660 /5/	(2,002,447.84)
CCRA Recovery	10,731,232	0.06590 /7/	(707,188.19)
Deferred Expense			1,129,416.04
<i>Subtotal</i>			<u>(10,764,426.93)</u>
Carrying Charges			(58,081.00)
May 2014 Balance	A		<u><u>(10,822,507.93)</u></u>

**CenterPoint Energy  
 CIP Tracker**

SAP Acct 269030	Throughput DT	Rate per DT	CIP Tracker Debit (Credit)
<b>June 2014</b>			
CCRC Recovery	5,768,780	0.18660 /5/	(1,076,454.40)
CCRA Recovery	5,768,780	0.06590 /7/	(380,162.65)
Deferred Expense			1,522,582.31
<i>Subtotal</i>			<u>(10,756,542.67)</u>
Carrying Charges			(58,039.00)
June 2014 Balance	A		<u><u>(10,814,581.67)</u></u>
<b>July 2014</b>			
CCRC Recovery	4,278,677	0.18660 /5/	(798,401.08)
CCRA Recovery	4,278,677	0.06590 /7/	(281,964.76)
Deferred Expense			1,525,723.96
<i>Subtotal</i>			<u>(10,369,223.55)</u>
Carrying Charges			(55,949.00)
July 2014 Balance	A		<u><u>(10,425,172.55)</u></u>
<b>August 2014</b>			
CCRC Recovery	3,795,200	0.18660 /5/	(708,184.32)
CCRA Recovery	3,795,200	0.06590 /7/	(250,103.68)
Deferred Expense			1,444,055.36
<i>Subtotal</i>			<u>(9,939,405.19)</u>
Carrying Charges			(53,630.00)
August 2014 Balance	P		<u><u>(9,993,035.19)</u></u>
<b>September 2014</b>			
CCRC Recovery	3,871,600	0.18660 /5/	(722,440.56)
CCRA Recovery	3,871,600	0.06590 /7/	(255,138.44)
Deferred Expense			1,920,470.20
<i>Subtotal</i>			<u>(9,050,143.99)</u>
Carrying Charges			(48,832.00)
September 2014 Balance	P		<u><u>(9,098,975.99)</u></u>
<b>October 2014</b>			
CCRC Recovery	5,932,322	0.18660 /5/	(1,106,971.29)
CCRA Recovery	5,932,322	0.06590 /7/	(390,940.02)
Deferred Expense			1,841,479.14
Financial Incentive			10,890,131.00 /9/
<i>Subtotal</i>			<u>2,134,722.84</u>
Carrying Charges			11,518.00
October 2014 Balance	P		<u><u>2,146,240.84</u></u>
<b>November 2014</b>			
CCRC Recovery	10,069,504	0.18660 /5/	(1,878,969.45)
CCRA Recovery	10,069,504	0.06590 /7/	(663,580.31)
Deferred Expense			2,182,128.10
<i>Subtotal</i>			<u>1,785,819.18</u>
Carrying Charges			9,636.00
November 2014 Balance	P		<u><u>1,795,455.18</u></u>

Notes:

- /1/ 2012 CIP Tracker balances and activity were approved in Docket No. G-008/M-13-373 on October 18, 2013
- /2/ CCRC was approved in Docket No. G-008/GR-08-1075 on June 30, 2010
- /3/ CCRA Approved in Docket No. G-008/M-11-383 on November 30, 2011 prorated for 2011 Usage\*
- /4/ CCRA Approved in Docket No. G-008/M-12-437 on December 20, 2012 prorated for 2012 Usage\*
- /5/ Interim CCRC G-008/GR-13-316 KRN-WP, Sch 8, WP 13
- /6/ 2013 Financial Incentive Approved in Docket No. G-008/M-13-373 on October 18, 2013
- /7/ CCRA Approved in Docket No. G-008/M-13-373 on October 18, 2013
- /8/ 2013 CIP Activity, Tracker balances and Financial Incentive are currently being reviewed in Docket No. G-008/M-14-368
- /9/ 2014 Financial Incentive Pending in Docket No. G-008/M-14-368

\*Proration was explained in the June 16, 2014 Clarification and Correction filing and the August 1, 2014 reply comment filing in Docket No. G-008/M-14-368.

**CenterPoint Energy**  
**Calculation of Carrying Charges & Carrying Charge True-up**

Debit (Credit)		Subtotal Balance (a)	Tax Rate (b)	ADIT (c) (a)*(b)	Net Rate Base (d) (a)-(c)	Nominal Rate (e)	to WP 9 Carrying Charge (f) (d)*(e)	Revised Subtotal Balance (g) (a)+(m)	Revised ADIT (h) (g)*(b)	Revised Net Rate Base (i) (g)-(h)	Final Nominal Rate (j)	Carrying Charge (k) (i)*(j)	Variance (l) (k)-(f)	Cummulative Variance (m)
Jan 2013	A	11,121,041	41.370%	4,600,775	6,520,266	0.94% /1/	61,330	11,121,041						
Feb	A	7,964,758	41.370%	3,295,020	4,669,738	0.94%	43,924	7,964,758						
Mar	A	5,114,738	41.370%	2,115,967	2,998,771	0.94%	28,207	5,114,738						
Apr	A	2,743,678	41.370%	1,135,060	1,608,618	0.94%	15,131	2,743,678						
May	A	2,052,531	41.370%	849,132	1,203,399	0.94%	11,319	2,052,531						
Jun	A	2,138,148	41.370%	884,552	1,253,596	0.94%	11,791	2,138,148						
Jul	A	2,862,253	41.370%	1,184,114	1,678,139	0.94%	15,785	2,862,253						
Aug	A	3,455,773	41.370%	1,429,653	2,026,120	0.94%	19,058	3,455,773						
Sep	A	3,639,067	41.370%	1,505,482	2,133,585	0.94%	20,069	3,639,067						
Oct	A	6,970,031	41.370%	2,883,502	4,086,529	0.92% /2/	37,608	6,970,031	2,883,502	4,086,529	0.87% /3/	35,632	(1,976)	(1,976)
Nov	A	6,440,857	41.370%	2,664,582	3,776,275	0.92%	34,753	6,438,881	2,663,765	3,775,116	0.87%	32,917	(1,836)	(3,812)
Dec 2013	A	8,455,441	41.370%	3,498,016	4,957,425	0.92%	45,623	8,451,629	3,496,439	4,955,190	0.87%	43,207	(2,416)	(6,228)
Jan 2014	A	2,429,475	41.370%	1,005,074	1,424,401	0.92%	13,109	2,423,247	1,002,497	1,420,750	0.87%	12,388	(721)	(6,949)
Feb	A	(2,673,535)	41.370%	(1,106,041)	(1,567,494)	0.92%	(14,426)	(2,680,484)	(1,108,916)	(1,571,568)	0.87%	(13,703)	723	(6,226)
Mar	A	(6,593,335)	41.370%	(2,727,663)	(3,865,672)	0.92%	(35,575)	(6,599,561)	(2,730,238)	(3,869,323)	0.87%	(33,738)	1,837	(4,389)
Apr	A	(9,134,918)	41.370%	(3,779,116)	(5,355,802)	0.92%	(49,289)	(9,139,307)	(3,780,931)	(5,358,376)	0.87%	(46,722)	2,567	(1,822)
May	A	(10,764,427)	41.370%	(4,453,243)	(6,311,184)	0.92%	(58,081)	(10,766,249)	(4,453,997)	(6,312,252)	0.87%	(55,039)	3,042	1,220
Jun	A	(10,756,543)	41.370%	(4,449,982)	(6,306,561)	0.92%	(58,039)	(10,755,323)	(4,449,477)	(6,305,846)	0.87%	(54,983)	3,056	4,276
Jul	P	(10,369,224)	41.370%	(4,289,748)	(6,079,476)	0.92%	(55,949)	(10,364,948)	(4,287,979)	(6,076,969)	0.87%	(52,988)	2,961	7,237
Aug	P	(9,939,405)	41.370%	(4,111,932)	(5,827,473)	0.92%	(53,630)	(9,932,168)	(4,108,938)	(5,823,230)	0.87%	(50,775)	2,855	10,092
Sep	P	(9,050,144)	41.370%	(3,744,045)	(5,306,099)	0.92%	(48,832)	(9,040,052)	(3,739,870)	(5,300,182)	0.87%	(46,215)	2,617	12,709
Oct	P	2,134,723	41.370%	883,135	1,251,588	0.92%	11,518	2,147,432	888,393	1,259,039	0.87%	10,978	(540)	12,169
Nov	P	1,785,819	41.370%	738,793	1,047,026	0.92%	9,636	1,797,988	743,828	1,054,160	0.87%	9,192	(444)	11,725

/1/ 0.94% = (1 + 11.89%/12)<sup>12</sup>-1  
 /2/ 0.92% = (1 + 11.62%/12)<sup>12</sup>-1  
 /3/ 0.87% = (1 + 10.98%/12)<sup>12</sup>-1

Accounting Entry:

CIP Tracker	11,725	
CIP Expense		11,725
True-Up CIP Tracker Carrying Charges for final rates.		

**CenterPoint Energy**  
**Cost of Capital Summary & Allowed Return Calculation**

Line No.	Description	Amount (\$000)	Ratio	Cost	Weighted Cost of Capital	Gross Revenue Conversion Factor	Pre-tax
TEST YEAR AVERAGE /1/							
1	Long Term Debt		40.16%	5.84%	2.35%		2.35%
2	Short Term Debt		7.24%	0.36%	0.03%		0.03%
3	Common Stock Equity		<u>52.60%</u>	9.59% /2/	<u>5.04%</u>	1.7056 /3/	8.60% /4/
4	Total (Line 1 + Line 2 + Line 3)				<u>7.42%</u> /2/		<u>10.98%</u>

/1/ ALJ Order Dated April 9, 2014, Page 19, Ordering point 82

/2/ See page 32 of Commission order

/3/ Schedule F-1

/4/ Gross Revenue conversion Factor times Weighted Cost of Capital

**CenterPoint Energy**  
**CIP Tracker Restatement of Final Rates**

<u>Month</u>	<u>Filed Rate (2)</u>	<u>Final Rate</u>	<u>Difference</u>	<u>Volumes</u> DTs	<u>Adjustment</u>
Oct-13	0.1866	0.1849	0.0017	5,118,866	\$ 8,702.07
Nov-13	0.1866	0.1849	0.0017	10,623,256	\$ 18,059.54
Dec-13	0.1866	0.1849	0.0017	19,196,267	\$ 32,633.65
Jan-14	0.1866	0.1849	0.0017	29,872,598	\$ 50,783.42
Feb-14	0.1866	0.1849	0.0017	26,420,927	\$ 44,915.58
Mar-14	0.1866	0.1849	0.0017	24,500,179	\$ 41,650.30
Apr-14	0.1866	0.1849	0.0017	16,793,132	\$ 28,548.32
May-14	0.1866	0.1849	0.0017	10,731,232	\$ 18,243.09
Jun-14	0.1866	0.1849	0.0017	5,768,780	\$ 9,806.93
Jul-14	0.1866	0.1849	0.0017	4,278,677	\$ 7,273.75
Aug-14	0.1866	0.1849	0.0017	3,795,200	\$ 6,451.84 (1)
Sep-14	0.1866	0.1849	0.0017	3,871,600	\$ 6,581.72 (1)
Oct-14	0.1866	0.1849	0.0017	5,932,322	\$ 10,084.95 (1)
Nov-14	0.1866	0.1849	0.0017	10,069,504	\$ 17,118.16 (1)
Total				<u>176,972,540</u>	<u>\$ 300,853.32</u>

(1) Projected

(2) Filed Rate KRN-WP, Volume 1, Schedule 8, Page 1 of 1, Workpaper 13

Accounting Entry:

CIP Tracker	300,853.32	
CIP Expense		300,853.32
<i>Ture-Up CIP Tracker for final rates.</i>		



**CenterPoint Energy  
CCRC Rate**

Line No.		<u>Amount</u>
1	Current Expense	\$ 24,664,167.47 /1/
2	Total Throughput	159,235,294 /2/
3	Large Energy Facility Throughput Exemptions	<u>25,834,190 /3/</u>
4	Test Year Throughput (DTs) (line 2 minus line 3)	<u>133,401,104 /4/</u>
5	Test Year Rate (line 1 divide by line5)	<u><u>\$ 0.1849</u></u>

/1/ Exhibit\_\_(KRN-WP), Volume 1, Schedule 8, Workpaper 5  
ALJ Order Dated April 9, 2014, Page 169, Ordering point 772  
PUC Order, June 9, 2014, Ordering Point 4, Page 57

/2/ Sch A-2c, Part 2  
Page 10 of 10, Line 4: Total Sales (after Curtail)

/3/ Sch A-2c, Part 2  
Page 10 of 10, Line 3: CIP Exempt Volumes

/4/ Schedule A-2c, Part 2  
Page 10 of 10, Line 11: CCRC volumes

**CENTERPOINT ENERGY**

**REFUND PLAN**

Commission Order, page 61, paragraph 29, part G.

A proposal to make refunds of interim rates, including interest calculated at the average prime rate to affected customers.

Summary of Supporting Schedules

- Calculation of the refund factor for interim Rates
- Interest Calculation
- Adjustment due to change in Reconnection Fee
- Refund of Prior Rate Case approved expenses

## **CENTERPOINT ENERGY**

### **REFUND PLAN**

In compliance with the Commission's Order in Docket No. G-008/GR-13-316, dated June 9, 2014, CenterPoint Energy submits its Interim Rate Refund Plan. CenterPoint Energy proposes to refund with interest the difference between the approved interim rate level and the final approved revenue increase with adjustments related to the reconnect fee and prior rate case expenses. This method has been used in prior ratecases.

On September 23, 2013 the Commission issued its Order setting interim rates, authorizing an interim increase of \$42,917,000 on an annual basis for service on and after October 1, 2013. In its Order setting Final Rates, the Commission authorized an annual revenue increase of \$32,943,000. The difference between the authorized interim revenue of \$42,917,000 and the final rate case approved revenue increase of \$32,943,000, related to base billing rates only, will be used to determine the base percentage amount to be refunded. Interest at the average prime rate will be applied to the base refund amount. Finally, the refund amount will be adjusted by adjustments for the authorized increase in reconnect fees and credits due to prior rate case expenses. The attached schedules summarize and support the level of CenterPoint Energy's estimated refund liability. Note that the attached schedules will be updated when actual interim revenues billed are known.

For every customer assessed an interim rate charge, a refund will be calculated based on each customer's assessed interim rate charge multiplied by approximately 25%. (see attached schedule A ) Applicable franchise fees and sales taxes will be applied to the refund amount. Existing customers will receive a bill credit. Customers due a refund who are no longer CenterPoint Energy customers will receive a check if the refund amount is at greater than \$2.00. Unrefunded monies will be handled in accordance with Minn. Statute 345.34.

Refunds will be credited to accounts or checks issued as close as possible to the implementation of final rates for all eligible customers. It is anticipated that interim rate refunds will be applied to accounts starting the first week of December 2014.

**CENTERPOINT ENERGY**

REFUND PLAN

(1) BASIS OF REFUND OBLIGATION

(2)		
(3)	Approved level of Interim rate revenue	\$42,917,000
(4)	Final approved revenue Increase	\$32,943,000

(5)

(6)

(7) REFUND FACTOR CALCULATION (Prior to Adjustments)

(8)					
(9)	\$42,917,000	-	\$32,943,000	=	\$9,974,000
(10)					
(11)	\$9,974,000	div by	\$42,917,000	=	0.2324

(12)

(13)

(14)

(15) CALCULATION OF REFUND OBLIGATION

(16)				
(17)	Interim Revenues Billed		\$56,592,204	See Page 3
(18)	Refund factor	X	0.2324	Line 11 above
(19)	Refund amount		<b>\$13,152,146</b>	
(20)				
(21)	Interest to Refund		<b>\$300,485</b>	See Page 3
(22)				
(23)	Reconnection Fee Revenues		<b>(\$126,731)</b>	See Page 4
(24)				
(25)	Adjustment: Prior Rate Case Expense		<b>\$933,976</b>	See Page 5

(26)				
(27)				
(28)	<b>Refund Obligation (line 19 + 21 + 23 + 25)</b>		<b>\$14,259,876</b>	

(29)				
(30)				
(31)	<b>Refund Factor to be applied to customers' interim charges</b>		<b>0.25198</b>	
(32)	\$14,259,876 divided by	\$56,592,204		

**CENTERPOINT ENERGY**  
**REFUND PLAN**

(1) INTEREST CALCULATION

(2)

(3) Beginning/End of Month Average Balance

(4)

(5)		Beginning	Ending	Average	Annual	Daily		
(6)		<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Rate</u>	<u>Rate</u>	<u>Days</u>	<u>Interest</u>
(7)	Oct-13	0	\$852,521	\$426,261	3.25%	0.000089	31	\$1,177
(8)	Nov-13	\$852,521	\$4,025,112	\$2,438,817	3.25%	0.000089	30	\$6,515
(9)	Dec-13	\$4,025,112	\$10,011,533	\$7,018,323	3.25%	0.000089	31	\$19,372
(10)	Jan-14	\$10,011,533	\$19,082,816	\$14,547,175	3.25%	0.000089	31	\$40,154
(11)	Feb-14	\$19,082,816	\$27,193,666	\$23,138,241	3.25%	0.000089	28	\$57,687
(12)	Mar-14	\$27,193,666	\$34,791,828	\$30,992,747	3.25%	0.000089	31	\$85,548
(13)	Apr-14	\$34,791,828	\$39,952,639	\$37,372,234	3.25%	0.000089	30	\$99,830
(14)	May-14	\$39,952,639	\$43,173,217	\$41,562,928	3.25%	0.000089	31	\$114,725
(15)	Jun-14	\$43,173,217	\$45,057,841	\$44,115,529	3.25%	0.000089	30	\$117,843
(16)	Jul-14	\$45,057,841	\$46,412,004	\$45,734,922	3.25%	0.000089	31	\$126,241
(17)	Aug-14	\$46,412,004	\$47,907,104	\$47,159,554	3.25%	0.000089	31	\$130,173
(18)	Sep-14	\$47,907,104	\$49,359,204	\$48,633,154	3.25%	0.000089	30	\$129,910
(19)	Oct-14	\$49,359,204	\$52,279,204	\$50,819,204	3.25%	0.000089	31	\$140,275
(20)	Nov-14	\$52,279,204	\$56,592,204	\$54,435,704	3.25%	0.000089	30	\$145,410
(21)	Dec-14	\$56,592,204	\$0	\$28,296,102	3.25%	0.000089	31	\$78,105

(20)

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(22) 1/ Refunds DEC 2014

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(24)

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Total Interest	\$1,292,966
Refund Factor	<u>0.2324</u>
Refundable Interest (line 22 x line 23)	<b>\$300,485</b>

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Estimated Interim Rate Revenue

	Billed	Accum.	
	<u>Interim \$</u>	<u>Balance</u>	
Oct-13	\$852,521	\$852,521	
Nov-13	\$3,172,591	\$4,025,112	
Dec-13	\$5,986,421	\$10,011,533	
Jan-14	\$9,071,283	\$19,082,816	
Feb-14	\$8,110,850	\$27,193,666	
Mar-14	\$7,598,162	\$34,791,828	
Apr-14	\$5,160,811	\$39,952,639	
May-14	\$3,220,578	\$43,173,217	
Jun-14	\$1,884,624	\$45,057,841	
Jul-14	\$1,354,163	\$46,412,004	
Aug-14	\$1,495,100	\$47,907,104	EST
Sep-14	\$1,452,100	\$49,359,204	EST
Oct-14	\$2,920,000	\$52,279,204	EST
Nov-14	\$4,313,000	\$56,592,204	EST
Dec-14	\$0		
	<u>\$56,592,204</u>		

Prime Interest Rate  
 Since Dec 16, 2008

3.25%

**CENTERPOINT ENERGY**

**RECONNECTION FEE REVENUE CORRECTION**

<u>(a)</u>	<u>Actual</u> <u>(b)</u>	Count <u>(c)</u>	Charged <u>(d)</u>	Allowed <u>(e)</u>	Change <u>(f)</u> <u>(cxd) - (cxe)</u>
(1)	Oct	3,543	\$22.50	\$28.00	(\$19,486.50)
(2)	Nov	730	\$22.50	\$28.00	(\$4,015.00)
(3)	Dec	771	\$22.50	\$28.00	(\$4,240.50)
(4)	Jan	664	\$22.50	\$28.00	(\$3,652.00)
(5)	Feb	339	\$22.50	\$28.00	(\$1,864.50)
(6)	Mar	619	\$22.50	\$28.00	(\$3,404.50)
(7)	Apr	1,471	\$22.50	\$28.00	(\$8,090.50)
(8)	May	2,203	\$22.50	\$28.00	(\$12,116.50)
(9)	June	1,520	\$22.50	\$28.00	(\$8,360.00)
(10)	July	2,182	\$22.50	\$28.00	(\$12,001.00)
(11)					
(12)	Estimated				
(13)	August	2,500	\$22.50	\$28.00	(\$13,750.00)
(14)	September	2,500	\$22.50	\$28.00	(\$13,750.00)
(15)	October	3,500	\$22.50	\$28.00	(\$19,250.00)
(16)	November	500	\$22.50	\$28.00	(\$2,750.00)
(15)					
(16)					(\$126,731.00)

**CENTERPOINT ENERGY**

ADJUSTMENT: Prior Rate Case Expenses

(1) INTEREST CALCULATION

(2)

(3) Beginning/End of Month Average Balance

(4) 

	Beginning	Monthly	Ending	Average	Annual		
(5)	Balance	Overcollection	Balance	Balance	Rate	Days	Interest

(6)		[1]	[2]	[3]=[1]+[2]	[4]=([1]+[3])/ 2	[5]	[6]	[7]=(4*5*6) / 365
(7)	Jan-12	0	\$41,409	\$41,409	\$20,705	8.09%	31	\$142
(8)	Feb-12	\$41,552	\$41,409	\$82,961	\$62,256	8.09%	29	\$400
(9)	Mar-12	\$83,361	\$41,409	\$124,770	\$104,066	8.09%	31	\$715
(10)	Apr-12	\$125,485	\$41,409	\$166,895	\$146,190	8.09%	30	\$972
(11)	May-12	\$167,867	\$41,409	\$209,276	\$188,572	8.09%	31	\$1,296
(12)	Jun-12	\$210,572	\$41,409	\$251,981	\$231,277	8.09%	30	\$1,538
(13)	Jul-12	\$253,519	\$41,409	\$294,928	\$274,224	8.09%	31	\$1,884
(14)	Aug-12	\$296,813	\$41,409	\$338,222	\$317,517	8.09%	31	\$2,182
(15)	Sep-12	\$340,403	\$41,409	\$381,813	\$361,108	8.09%	30	\$2,401
(16)	Oct-12	\$384,214	\$41,409	\$425,623	\$404,919	8.09%	31	\$2,782
(17)	Nov-12	\$428,405	\$41,409	\$469,815	\$449,110	8.09%	30	\$2,986
(18)	Dec-12	\$472,801	\$41,409	\$514,210	\$493,506	8.09%	31	\$3,391
(19)	Jan-13	\$517,601	\$41,409	\$559,011	\$538,306	8.09%	31	\$3,699
(20)	Feb-13	\$562,709	\$41,409	\$604,119	\$583,414	8.09%	28	\$3,621
(21)	Mar-13	\$607,739	\$41,409	\$649,149	\$628,444	8.09%	31	\$4,318
(22)	Apr-13	\$653,467	\$41,409	\$694,876	\$674,171	8.09%	30	\$4,483
(23)	May-13	\$699,359	\$41,409	\$740,768	\$720,063	8.09%	31	\$4,948
(24)	Jun-13	\$745,716	\$41,409	\$787,125	\$766,420	8.09%	30	\$5,096
(25)	Jul-13	\$792,221	\$41,409	\$833,630	\$812,926	8.09%	31	\$5,586
(26)	Aug-13	\$839,216	\$41,409	\$880,625	\$859,921	8.09%	31	\$5,908
(27)	Sep-13	\$886,534	\$41,409	\$927,943	\$907,238	8.09%	30	\$6,033

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			<u>\$869,596</u>				<u>\$64,380</u>
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(30)

(31)

(32) Reference: DOC Ex. \_\_\_ ACB-S-12 \$933,976

(33) [2] Monthly value \$41,409.33

(34) [5] CPE approved ROR in Docket G0008/GR-08-1075