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March 31, 2020

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

*RE: Annual Compliance Submission of CenterPoint Energy Minnesota Gas, A
Division of CenterPoint Energy Resources Corp., for its Gas Affordability Service
Program; MPUC Docket No. G-008/M-20-_____*

Dear Mr. Seuffert:

Enclosed for filing is CenterPoint Energy's annual Gas Affordability Program ("GAP") report.

The Company is also proposing to reinstate the GAP surcharge to recover future projected GAP under-collections.

If you have any questions regarding the information provided in this filing, please contact me at (612) 321-4625.

Sincerely,

/s/

Amber S. Lee
Director, Regulatory Affairs

Enclosure
cc: Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben	Chair
Valerie Means	Commissioner
Matt Schuerger	Commissioner
John Tuma	Commissioner

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

Docket No.: G-008/M-20-_____

COMPLIANCE FILING

1 Introduction

CenterPoint Energy Minnesota Gas (“CenterPoint Energy” or the “Company”) provides this annual report on the status of its Gas Affordability Service Program (“GAP” or “Program”). The information provided in this filing is based on the information the Company committed to provide in its June 6, 2006 Reply Comments in Docket No. G-008/GR-05-1380 and includes the additional information required by subsequent Commission Orders.¹ Section 5.2 of the Company’s GAP tariff (Section V, p. 25.a) states that “(t)he annual reports will include the effect of the Program on customer payment frequency, payment amount, arrearage level and number of customers in arrears, service disconnections, retention rates, customer complaints and utility collection activity.

CenterPoint Energy’s GAP is available to residential customers who receive Low Income Home Energy Assistance Program (“LIHEAP”) assistance during the federal fiscal year, agree to be placed on a levelized payment plan, and qualify for an affordability and/or arrearage forgiveness credit under the terms of the Program.² Customers will be removed from the Program if they fail to pay two consecutive monthly payments in full. To help maintain participation levels, after one missed payment, CenterPoint Energy calls GAP participants as a reminder of the payment requirements for the Program.³

Schedule A provides a summary of the GAP Annual Compliance Report information requested by the Commission’s September 24, 2013 Order in Docket No. G-008/GR-05-

¹ See Schedule C for a summary table of the Orders from December 29, 2011 through September 28, 2018.

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

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

1380. Schedule D provides the streamlined GAP reporting summary as described in the Utility Stakeholder Report and ordered by the Commission on September 28, 2018.⁴

2 Total Affordability Credit

The total of the affordability credits applied to GAP participants during the 2019 year was \$3,453,312.

3 Total Arrearage Forgiveness Credit

The total of the arrearage forgiveness credits applied to GAP participants during the 2019 Program year was \$656,276.

4 Total Program Administration Cost

The total administrative expenses incurred in 2019 were \$372,277, approximately 8.3% of total Program costs. Because the total administrative expenses exceeded the 5% cap (see Section V, Page 25.a, Section 4.1 of the GAP tariff), an adjustment was made to the tracker account to reflect only \$224,093 of administrative expenses. The following calculation was made to remove the administrative costs that were in excess of 5% of total Program costs from the tracker account.

Total Program Costs:

1. Start-up costs:	\$0
2. Affordability component:	\$3,453,312
3. Arrearage Forgiveness component:	\$656,276
4. <u>Incremental admin costs incurred:</u>	<u>\$372,277</u>
5. Subtotal (sum of lines 1–4)	\$4,481,864
6. 5% of subtotal (line 5 multiplied by 5%):	\$224,093
7. Incremental admin costs above 5% (line 4 minus line 6 or \$0):	\$148,183
8. Incremental admin costs in Tracker (line 4 less line 7):	\$224,093

5 Total Start-up Costs

No start-up costs were incurred in 2019.

6 Incremental LIHEAP

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

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

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year may qualify for participation in a different GAP year (i.e., a customer may have received LIHEAP in October 2018 and qualified for both the 2018 and 2019 GAP years).

Table 1

line	GAP Year	2014	2015	2016	2017	2018⁵	2019⁶
1	GAP participants who received LIHEAP (October prior year through September current year)	11,710	10,074	7,451	7,419	6,988	8,237
2	LIHEAP received by GAP participants	\$3,611,945	\$3,691,276	\$2,572,910	\$2,553,746	\$2,795,147	\$3,217,831
3	Average amount (line 2 divided by line 1)	\$308	\$366	\$345	\$344	\$400	\$391
4	GAP participants who received LIHEAP (October current year through September subsequent year)	10,249	8,638	6,404	6,442	7,246	6,413
5	LIHEAP received by GAP participants	\$3,730,827	\$2,883,647	\$2,245,304	\$2,575,441	\$2,866,176	\$1,911,541
6	Average amount (line 5 divided by line 4)	\$364	\$334	\$351	\$400	\$396	\$298
7	Total incremental LIHEAP (line 5 minus line 2)	\$118,881	-\$807,629	-\$327,606	\$21,695	-\$71,029	-\$1,306,290
8	Average incremental LIHEAP (line 6 minus line 3)	\$56	-\$33	\$5	\$56	-\$4	-\$93

⁵ The 2018 GAP year information (for participants receiving 2018-2019 LIHEAP) has been updated from last year's compliance filing since the 2018-2019 LIHEAP year was not finished and not all payments were received on behalf of customers receiving LIHEAP grants when last year's compliance filing was made.

⁶ Because the 2019-2020 LIHEAP year is not finished, the information on Year 2019 GAP participants is incomplete and will be updated in the next annual report.

7 Bad Debt Expense and Adjusted Bad Debt Factor

A. Bad Debt Factor

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

Bad Debt Factor

1. Actual 2019 Bad Debt Expense:	\$4,692,459
2. Firm Revenue:	\$901,158,909
3. Bad Debt Factor (line 1 divided by line 2):	0.5%
4. Impact of the Program	
5. Total Payments towards Arrears Rec'd from participants:	\$142,079
6. Total Arrearage Forgiveness Credits Applied:	<u>\$656,276</u>
7. Total payments applied to arrears (line 5 + line 6):	\$798,354
8. Percentage of Pre-Program Arrears that would have been written-off (from Section 8, below):	4.6%
9. Impact of Arrearage Forgiveness Component on write-offs (line 7 multiplied by line 8):	\$36,803
10. Impact of Program on Bad Debts	
11. Bad Debt Expense without Arrearage Forgiveness Component (line 1 plus line 9):	\$4,729,262
12. Adjusted Bad Debt Factor (line 11 divided by line 2):	0.5%

B. Bad Debt Expense

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

Bad Debt Expense

1.	Difference in total request amount paid	\$637,324
2.	Incremental LIHEAP—estimate ⁷	(\$489,502)
3.	Total GAP credits	<u>\$4,109,588</u>
4.	Change in customer payments, LIHEAP & GAP credits	\$4,257,411
5.	Change in A/R balance	(\$4,257,411)
6.	Change in Bad Debt Expense ⁸	(\$195,841)

8 Arrearage to Write-Off Study

As described in CenterPoint Energy's June 6, 2006 Reply Comments in Docket No. G-008/GR-05-1380, a study was conducted to look at the relationship of write-offs to arrears. The information below is based on the 12 months ending December 2018 for *all* CenterPoint Energy customers and not just customers that are eligible or that participate in the GAP. It is not known how the GAP eligible or GAP participants' write-off to arrearage (or final bill) relationship compares to non-GAP eligible or non-GAP participant customers.

A. Write-Off/Arrears Percentage

The following table shows the write-off to arrears percentage by comparing the write-offs to arrears using a three-month lag. For example, the September arrears are compared to the December write-offs to show that the amount that was written off in December 2019 was 5.0% of the amount of September arrears.

⁷ Average of total incremental LIHEAP 2007–2018 from Section 6. The 2007 pilot Program was a half year.

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

2019	Write-Off / Arrears Percentage
January	4.8%
February ⁹	59.6%
March	7.9%
April	3.1%
May	2.6%
June	2.6%
July	3.1%
August	5.7%
September	4.0%
October	6.7%
November	5.8%
<u>December</u>	<u>5.0%</u>
12 Month Average	4.6%

B. Write-Off/Final Bill Percentage

The following table shows the write-off to final bills percentage by comparing the write-offs to final bills using a three-month lag. For example, the September final bills are compared to the December write-offs to show that the amount that was written off in December 2019 was 11.9% of the amount of September final bills.

2019	Write-Off / Final Bill Percentage
January	12.7%
February ¹⁰	-94.6%
March	-436.0%
April	74.7%
May	47.3%
June	17.6%
July	17.1%
August	25.6%
September	14.4%
October	19.1%
November	15.0%
<u>December</u>	<u>11.9%</u>
12 Month Average	20.2%

⁹ Warm weather can create a budget plan credit that reduces the Accounts Receivable balance. Additionally, the interim rate refund in late 2018 would have reduced the Accounts Receivable balance. A lower Accounts Receivable balance can cause unusually high Write-Off percentages.

¹⁰ The interim rate refund in late 2018 created negative final bills and therefore caused negative Write-Off percentages.

9 Customer Payment History and Frequency Study

In accordance with the Commission's Order of May 22, 2017 in Docket No. G-008/16-486, the following table shows the payment frequency and history of GAP participants in 2019, compared to the payment frequency and history of LIHEAP non-GAP customers in 2019 (pre-Program baseline method) and the payment frequency and history of 2019 GAP participants prior to their enrollment in the Program (non-GAP LIHEAP method). Finally, we have also included this payment information for non-LIHEAP residential customers. A summary of this information is also provided in Schedule D.

Table 2

	2019 GAP Participants		2019 LIHEAP non-GAP Participants		2019 GAP Participants: 12 Months Prior		2019 non-LIHEAP Residential Customers	
	<i>Amount</i>	<i>Count</i>	<i>Amount</i>	<i>Count</i>	<i>Amount</i>	<i>Count</i>	<i>Amount</i>	<i>Count</i>
Total Req	\$4,686,446	45,765	\$29,572,492	319,304	\$11,764,191	73,566	\$566,331,657	8,842,309
Full Pmt Made	\$806,797	16,723 (37%)	\$6,771,662	114,156 (36%)	\$1,287,469	22,549 (31%)	\$413,889,190	6,656,143 (75%)
Partial Pmt Made	\$653,168	11,581 (25%)	\$4,165,107	57,767 (18%)	\$816,388	11,625 (16%)	\$84,960,322	1,035,656 (12%)
On Acct Pmts	\$146,957	5,358 (12%)	\$140,659	3,635 (1%)	\$47,775	1,315 (2%)	\$2,608,007	52,035 (0.6%)
Total Pmts	\$1,606,922 (34%)	33,662 (74%)	\$11,077,428 (37%)	175,558 (55%)	\$2,151,633 (18%)	35,489 (48%)	\$501,457,519 (89%)	7,743,834 (88%)
No Pmt Made	\$0	12,103 (26%)	\$0	143,746 (45%)	\$0	38,077 (52%)	\$0	1,098,475 (12%)

10 Average Cost to Disconnect and Reconnect

As described in the Company's June 6, 2006 Reply Comments in Docket No. G-008/GR-05-1380, information on the average cost to disconnect and reconnect an individual meter is provided.

- A. For a locked meter, based on historical activity, the average cost to disconnect and reconnect a meter was approximately \$57. Please note that this is an average and does not include the cost of a protective agent that may have been used.
- B. For a meter that is "plugged," based on historical activity, the average cost was approximately \$106. Please note that this is an average and does not include the cost of a protective agent that may be used.
- C. For a meter that is shut off by using a valve lock at the curb, the average cost was approximately \$766. This is calculated based on average internal costs to disconnect and reconnect.
- D. In 2019, there were no disconnections and no reconnections performed by hand digging. Therefore, it is not possible to calculate an average cost to disconnect and reconnect a meter that is shut off by "hand digging" in the yard.
- E. For a meter that is shut off by digging at a boulevard or curb, the average cost was approximately \$1,283. This is calculated based on cost information from contractors, internal costs and expected time to reconnect meters that have been dug at a curb and includes restoration costs based on 2019 activity.
- F. In 2019 there were no disconnections or reconnections for a meter that is shut off by digging in the street. Therefore, it is not possible to calculate the average cost in 2019 for such work.

11 Average Payment Amount

During the 2019 GAP year, there were 11,067 participants (including the customers who participated during the year but dropped out of the Program before the end of the year). Additionally, not all customers were requested to make an affordability component payment (those that had zero income) and/or an arrearage component payment (those that did not have pre-Program arrears). The table below presents average payment amount information on the groups of customers described above.

Table 3

line		Customers	Avg Monthly Affordability Pmt	Avg Monthly Arrearage Pmt	Total Pmt
1	All customers on GAP	11,067	\$40.59	\$5.03	\$45.61
2	Customers on GAP asked to make payment	10,642	\$42.21	\$5.23	N/A ¹¹

The November 18, 2009 Order in Docket No. G-008/GR-05-1380 required that all gas utilities report (starting with the annual report filed in 2010) the average annual and monthly bill credit amount in the utility's annual GAP reports. In addition, a comparison of these amounts to the average GAP participant's annual and average monthly bill and arrearage amount was also required. That information is shown below for the 11,067 customers who participated in GAP in 2019.

¹¹ A total is not presented for the subset of customers requested to make a payment since not all customers were requested to make both an affordability component payment (those that had zero income) and/or an arrearage component payment (those that did not have pre-Program arrears).

Table 4

	Monthly	Annual
Average Affordability Credit ¹²	\$31.88	\$382.54
Average Arrearage Credit ¹³	\$19.96	\$239.50
Average Affordability Component bill ¹⁴	\$40.59	\$487.02
Average Arrearage Component bill ¹⁵	\$5.03	\$60.35
Average Pre-Program Arrears ¹⁶	\$490.07	

12 Arrearage Level

As described in the June 6, 2006 Reply Comments in Docket No. G-008/GR-05-1380, information on the average pre-Program arrearage amount of Program participants is provided. Information on pre-Program arrears for the customers that participated at the end of the year as well as customers that participated during the year, but dropped, is shown in the table below.

Table 5

Customer Group	Customers	Total Pre-Program Arrears	Average Pre-Program Arrears
All customers on GAP	11,067	\$2,027,416	\$183
All customers on GAP that had Pre-Program Arrears	4,137	\$2,027,416	\$490

¹² The average monthly affordability credit is calculated by taking the total of the monthly affordability credits for the customers on the Program during 2019 and dividing by the total number of GAP participants during the year. This is the same type of average as in line 1 (Table 3), above. The annual average is the monthly number times 12 months.

¹³ The average monthly arrearage credit is calculated by taking the total of the monthly arrearage credits for the customers on the Program during 2019 and dividing by the total number of GAP participants during the year. This is the same type of average as in line 1 (Table 3), above. The annual average is the monthly number times 12 months.

¹⁴ The average monthly affordability component bill amount is from line 1 (Table 3), above. The annual average is the monthly number times 12 months.

¹⁵ The average monthly arrearage component bill amount is from line 2 (Table 3), above. The annual average is the monthly number times 12 months.

¹⁶ This is the average pre-Program arrears for the 4,137 GAP participants who were on the GAP during the year and had a pre-Program arrearage amount.

The November 18, 2009 Order in Docket No. G-008/GR-05-1380 required that all gas utilities report (starting with the annual report filed in 2010) the change in arrearage level for the average GAP customer compared to the LIHEAP customers that are not enrolled in the GAP and the average level of arrearage for all of the utility's residential customers that had arrears.

Table 6

Customer Group	Jan. 2019	Dec. 2019	\$ Change	% Change
GAP ¹⁷	\$260	\$261	\$1	0%
LIHEAP non-GAP	\$165	\$153	-\$12	-7%
Residential	\$138	\$125	-\$13	-9%

As required by the Order dated May 22, 2017 in Docket No. G-008/M-16-486, the Company is also providing average arrears balances using the pre-Program-baseline approach as described in the Department's Comments of December 13, 2016.¹⁸

Table 7

Average Arrearage Level	<u>January 2019</u>	<u>December 2019</u>
GAP Participants ¹⁹	\$266	\$68
LIHEAP Customers Not Enrolled in GAP ²⁰	\$144	\$179
All Residential Customers ²¹	\$128	\$192

13 Number of Customers in Arrears

In the Company's June 6, 2007 Reply Comments in Docket No. G-008/GR-05-1380, it committed to provide information on the total number of customers in arrears at the start of the Program. As reported in the monthly Cold Weather Rule Report, there were

¹⁷ The average arrears amount shown for GAP participants above is for the GAP participants that had arrears during January and those that had arrears during December of 2019. It should be noted that, due to changes in the customers that participate (due to de-activations and new enrollments during the year), not all of the customers enrolled in January are the same customers enrolled in December.

¹⁸ See Docket No. G-008/M-16-486; CenterPoint Energy's Evaluation of its Gas Affordability Program.

¹⁹ The average arrearage level for GAP Participants is the active GAP participants (with arrears) at January 2019, who remained an active GAP participant in January 2019 and December 2019.

²⁰ The average arrearage level for LIHEAP Customers Not Enrolled in GAP are the LIHEAP customers not enrolled in GAP (with arrears) at January 2019, who remained a LIHEAP customer in the remaining period of December 2019.

²¹ The average arrearage level for All Residential Customers is all residential customers (with arrears) at January 2019, who remained a residential customer in December 2019.

73,494 residential customer accounts past due at the end of December 2018, which is the approximate start of the 2019 Program year. Of the 11,067 customers that participated in the Program during the 2019 Program year, 4,137 started their 2019 GAP participation with a pre-Program arrears balance.

14 Service Disconnections

As reported in the monthly reports filed pursuant to Minnesota Statute §216B.091 in Docket No. E,G999/PR-19-02, there were 24,567 residential accounts disconnected for non-payment during 2019.

The November 18, 2009 Order in Docket No. G-008/GR-05-1380 required that all gas utilities report (starting with the annual report filed in 2010) the percentage of GAP customers disconnected compared to the percentage of all firm customers disconnected. In addition, the Commission required utilities to report a comparison of the percentage of GAP customers disconnected to the percentage of disconnected LIHEAP customers that do not participate in GAP.

Table 8

Customer Group	% Disconnected
GAP Customers ²²	2.4%
LIHEAP Non-GAP ²³	6.0%
Total Firm Customers ²⁴	3.0%

As described in the Order dated May 22, 2017, the Company provides in Table 9 the disconnection rates using the pre-Program-baseline approach as described in the Department's Comments of December 13, 2016²⁵ (tracks "disconnections for individual

²² The percent of GAP customers disconnected is the number of customers that had been on GAP during 2019 before subsequently being removed (or deactivated) from the Program and then disconnected, divided by the total number of customers that were enrolled during the year.

²³ The percent of LIHEAP non-GAP customers disconnected is the number of customers that received LIHEAP (and did not participate in GAP) during 2019 and were disconnected after receiving LIHEAP in 2019, divided by the number of customers that received LIHEAP (and did not participate in GAP) in 2019. It should be noted that the LIHEAP year is not a calendar year so that if a customer received LIHEAP in early 2019 as part of the end of the 2018–19 LIHEAP year, they would be included in this group—along with customers receiving LIHEAP in late 2019 as part of the 2019–20 LIHEAP year.

²⁴ The percent of total firm customers disconnected is the number of involuntary disconnections of residential customers as reported in the 2019 monthly reports submitted pursuant to Minnesota Statutes §216B.091 and §216B.096, subd.11 plus the number of firm commercial/industrial accounts disconnected divided by the average number of firm customers in 2019.

²⁵ See Docket No. G-008/M-16-486; CenterPoint Energy's Evaluation of its Gas Affordability Program.

customers or a cohort of customers and then reporting pre- and post- Program disconnection rates”).

Table 9

2019 Customers:	Total Disconnections	Percent of Total Customer Group
GAP	719	6.5%
Before GAP	451	4.1%
After GAP	268	2.4%
LIHEAP (no GAP)	1,564	10.6%
Before LIHEAP	679	4.6%
After LIHEAP	885	6.0%

15 Retention Rate – Renewal

As reported in Table 11 of the GAP Annual Report submitted April 1, 2019 in Docket No.G-008/M-19-255, there were approximately 8,600 customers who received a GAP credit and enrolled in the GAP at the end of 2018. The table below shows the 2019 Program year participation information for the customers that were enrolled at the end of the 2018 Program year.

Table 10

Description	Count	%
Renewed into 2018 GAP year within 30 days	5,240	61%
Enrolled into 2018 GAP year 31–60 days	442	5%
Enrolled into 2018 GAP year 61–90 days	143	2%
Enrolled into 2018 GAP year 91–150 days	364	4%
Enrolled into 2018 GAP year over 151 days	411	5%
Application Rejected: no LIHEAP, incomplete GAP application, etc.	254	3%
Did not apply, other	1,762	20%
Total	8,616	100%

The retention rate for the 2020 GAP year is not available because some customers enrolled at the end of the 2019 year have not yet renewed. This information will be provided in the next annual compliance report, after the 2020 year is complete.

16 Retention Rate – Attrition

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

Table 11

GAP year	2014	2015	2016	2017	2018	2019
GAP participants at year-end	13,309	10,769	8,558	8,720	8,616	7,935
Total deactivated and percent of final participation ²⁶	4,590 34%	3,020 28%	2,123 25%	1,863 21%	2,036 24%	2,949 37%
Deactivated due to delinquency	3,236 24%	2,092 19%	1,429 17%	1,128 13%	1,368 16%	2,091 26%
Deactivated due to customer request	91 0.7%	67 0.6%	34 0.4%	39 0.4%	29 0.3%	37 0.5%
Deactivated due to customer move	1,263 9%	861 8%	660 8%	696 8%	639 7%	821 10%
Applied but not accepted due to no benefit ²⁷	2,813	2,071	3,514	1,664	1,658	1,970

17 Participation/Incremental LIHEAP

As described in CenterPoint Energy’s June 6, 2006 Reply Comments in Docket No. G-008/GR-05-1380, information on the number of new participants that did not previously receive LIHEAP is provided.

²⁶ During preparation of the 2015 report, we determined the prior periods included some minor double-counting of deactivated customers. A correction to the calculation methodology was made for the 2015 data, but prior periods have not been restated.

²⁷ Based on their income and usage, there was no affordability or arrearage credit for these customers.

Table 12

GAP year	2014	2015	2016	2017	2018	2019
GAP participants at year-end	13,309	10,769	8,558	8,720	8,616	7,935
Approximate % who did not receive LIHEAP in prior year	26%	17%	21%	17%	21%	18%

18 Customer Complaints

There were four GAP customer issues reported to the Commission during the 2019 GAP year.

In February, the Consumers Affairs office contacted the Company to inquire about a customer with a high account balance. The Company agreed to assist the customer in getting enrolled in GAP again after she received LIHEAP.

In March, a customer contacted the Company with concerns over the Company's customer service, and the amount they quoted that was overall owed to be GAP applicable. The Company resolved this issue by sending the customer an Account Statement showing balance history and amounts owed.

In June the Company received a request from the Consumer Affairs Office to send a GAP application to a specific customer. The Company resolved this issue by sending the requested application.

In August the Company received a request to reinstate a customer to GAP who had been removed for non-payment. The Company offered a down payment option for reconnection, but customers cannot be placed back on GAP if removed for non-payment.

19 Program Cost per Customer

As described in the Company's June 6, 2006 Reply Comments in Docket No. G-008/GR-05-1380, the Company provides a measurement of the total Program costs divided by the total number of Program participants. Please note that for the purpose of this calculation, the number of participants during 2019 is used, although not all customers participated for the same number of months.

Program Cost

1. Affordability Credits:	\$3,453,212
2. Arrearage Forgiveness Credits:	\$656,276
3. <u>Administrative Cost:</u>	<u>\$224,093</u>
4. Total Program Costs (lines 1–3):	\$4,333,681
5. Program Participants:	11,067
6. Program Cost per participant (line 4 divided by line 5):	\$392

20 Payment Coverage

As described in the Company’s June 6, 2006 Reply Comments in Docket No. G-008/GR-05-1380, ‘payment coverage’ is calculated as the total annual customer payments divided by the total annual amount billed. As such, it does not include any LIHEAP amounts received on behalf of the customer or any GAP credits applied to the accounts.

Payment Coverage

1. Total Affordability Customer Payments Rec’d	\$1,515,262
2. <u>Total Arrears Customer Payments Rec’d</u>	<u>\$142,079</u>
3. Total Customer Payments (line 1 plus line 2)	\$1,657,340
4. Total Affordability Requested	\$7,487,771
5. <u>Total Arrears Requested</u>	<u>\$288,856</u>
6. Total amount billed (line 4 plus line 5)	\$7,776,627
7. Payment coverage (line 3 divided by line 6)	0.21

21 Arrears Reduction Rate

As described in the Company’s June 6, 2006 Reply Comments in Docket No. G-008/GR-05-1380, the ‘arrears reduction rate’ is calculated as the total LIHEAP and arrears forgiveness payments divided by the total outstanding balance at the start of the Program year. It should be noted that for the GAP participants that did not have pre-Program arrears, any LIHEAP payments received were applied to their current (affordability component) bills so the arrears reduction calculation below is overstated at greater than one.

Arrears Reduction Rate

1. Total LIHEAP Received (2019 Participants 1/19–12/19)	\$3,496,548
2. Arrears Forgiveness Customer Payments Rec’d	\$142,079
3. <u>Arrears Forgiveness Credits Applied</u>	<u>\$656,276</u>
4. Total Reduction to Arrears (Line 1 plus Line 2 plus Line 3)	\$4,294,902
5. Total Pre-Program Arrears Balance at Start of Program	\$2,027,416
6. Arrears Reduction Rate (line 4 divided by line 5)	2.12

22 Coordination with Other Resources

Throughout the year, the Company engages in outreach efforts designed to promote GAP and Conservation Improvement Program (CIP) participation, often in partnership with low-income organizations and agencies. This section summarizes efforts undertaken by the Company to coordinate the GAP with other low-income and conservation resources, in accordance with the November 18, 2009²⁸ and November 22, 2010²⁹ Orders. The summary begins with a description of internal cross-promotion activities between GAP and CIP. This is followed by a list of CIP conservation measures available to customers. Finally, a list of major outreach efforts conducted with outside agencies to promote GAP and CIP are presented.

Internal Cross-Promotional Efforts between CIP and GAP

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

Summary of major cross-promotional GAP and CIP efforts:

- Between January 2019 and December 2019, the Company sent 27,000 direct mail pieces to LIHEAP recipients encouraging customers to enroll in GAP. Mailers include a letter describing what GAP is and how it works, a GAP application, detailed energy efficiency tips, and information about CenterPoint Energy's rebate and other programs, including the Home Energy Squad, and weatherization services. Home Energy Squad visits are free of charge to low income customers.
- E-mailed 30,548 GAP solicitations that included links to the GAP application as well as to the *More Comfort, Less Energy* booklet with energy saving tips.
- *CIP Conservation Calendars* with energy efficiency tips were distributed to income-qualified customers via low income agencies and non-profit affordable housing agencies.
- *More Comfort, Less Energy* booklets with energy-saving tips and how-to instructions were distributed to low income households via low income agencies.

²⁸ Docket No. G-008/GR-05-1380. Order Accepting Compliance Filings Regarding Gas Affordability Programs and Requiring Further Action, Nov. 18, 2009 (requiring that future reports include how each utility has coordinated its GAP with other available low income and conservation resources, including the names of the agencies, the content of the communication, and the accomplishments resulting from the coordination).

²⁹ Docket No. G-008/GR-05-1380. Order Evaluating Gas Affordability Program, Extending and Modifying Pilot Program, Authorizing Cost Recovery, and Requiring Future Reporting, Nov. 22, 2010 ("CenterPoint shall, in future reporting, report the potential no-, low-, and mid-cost conservation measures that could be implemented in the households of GAP participants, along with CenterPoint's plans to encourage GAP participants to increase their use of these measures.").

No Cost Energy Efficiency Measures Available to GAP Participants

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

- Weatherization (including wall and attic insulation);
- Furnace or boiler repair/replacement/tune-up;
- Water heater replacement;
- Programmable thermostats;
- Weather stripping and caulk;
- Window film;
- Water heater blankets;
- Outlet and switch plate gasket covers;
- High-efficiency showerhead and faucet aerators;
- Water heater temperature assessment and adjustment;
- Pipe insulation;
- Attic and wall insulation inspection;
- Blower door test;
- Thermal image testing;
- Combustion safety test;
- Carbon monoxide check; and
- Carbon monoxide alarm.

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

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

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

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

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

- Community Action Partnership of Hennepin County - is the federally designated community action program for Hennepin County.
- Tri-County Action Program, Inc. - the federally designated community action program for Benton, Sherburne, and Stearns counties in central Minnesota.

- Lutheran Social Services of Minnesota - The Center for Changing Lives – is a non-profit organization with a wide range of services for community members to connect and find resources.
- The Twin Cities Salvation Army – a non-profit organization that assists residents across Minneapolis, St. Paul, and the greater metro area including utility assistance.
- Parents in Community Action, Inc. - a private non-profit agency designated by the federal government to operate Head Start and Early Head Start programs in Hennepin County.
- Phillips West Neighborhood Organization - a non-profit organization that supports community and neighborhood development, as well as economic development.

Through communications with the partnering organizations, CenterPoint Energy attended the following community events:

- Neighborhood Winter Social - set up through Phillips West Neighborhood Organization hosted by Lutheran Social Services of Minnesota in February 2019 with the goal of working with low-income families to prepare them for the end of cold weather season by assisting with payment plans, and helping them sign up for Energy Assistance and fill out GAP applications.
- Phillips West National Night Out - event in August 2019 that included handing out GAP Fliers and Applications.
- Community Resource Expo - set up through West Central MN Communities Action in Alexandria, MN in October 2019 that included distributing GAP Fliers and Applications, along with energy conservation supplies such as Window Kits, Outlet and Switch gaskets, and Hot Water Heater gauges.
- Salvation Army Energy Assistance Day - event in October 2019 to prepare customers for the cold weather season by helping them with payment plans, and filling out GAP applications, and handing out window kits.
- Window kits were handed out at the following events:

Event	Date
HeatShare - North Mpls	22-Oct
MN Valley Action Council	9-Dec
Scott-Carver-Dakota CAP Agency	26-Oct
PICA - Family Connect	26-Nov
CAP HC	14-Oct
Anoka County - CAP	18-Oct
West Central Energy & Community Resource Expo	19-Oct

In addition to partnerships with community organizations, CenterPoint Energy engages in various phone, mail, and e-mail campaigns to inform customers of GAP assistance.

23 GAP Surcharge Annual Adjustment

As Ordered in the Commission Order filed on August 19, 2019 in Docket No. G-008/M-19-255, the Commission authorized CenterPoint Energy to commence treating the GAP surcharge as a rate that may be adjusted annually based on forecasted GAP expenditures and rate case approved sales. As shown in Schedule E the 2020 forecasted year-end over-recovered amount is \$1,346,863. Continuing through a forecasted year 2021, as shown in Schedule F, a per therm charge implemented as of Sept. 1, 2020 of \$0.00236 would result in a near zero GAP Tracker balance at the end of 2021. These figures are calculated using a three year average of 2017-2019 GAP spending levels of \$4,022,737, and the approved 2018 GAP applicable sales forecast from the 2018 rate case in Docket No. G008/GR-17-285.

Therefore, the Company is requesting a change in the current GAP surcharge rate from \$0.0000 per Dth to \$0.0236 per Dth as of Sept. 1, 2020.

Schedule G is a proposed redline draft of our Gas Tariff Page, Section V, Page 25.a.

24 Other Information

As required by the Commission's December 29, 2011 Order in Docket No. G-008/GR-05-1380, CenterPoint Energy's application processing goal is to process 95% of all complete GAP applications within 30 days. All 2019 applications were processed within 30 days of receipt. As required by the Order, the Company's third-party administrator—Energy CENTS Coalition (ECC)—makes the GAP application available electronically on its website, www.energycents.org.

On May 31, 2019, the Company submitted its fourth GAP Evaluation report and in its January 17, 2020 Order in Docket No. G-008/M-19-367, the Commission continued the GAP with no expiration date. The Company plans to submit its fifth GAP Evaluation report on or before May 31, 2022.

CenterPoint Energy
GAP Annual Compliance: Summary

Item as listed in in Sept. 24, 2013 Order	2019
1 Average annual affordability benefit received per customer /1/	\$ 382.54
2 Average annual arrearage forgiveness benefit received per customer	\$ 239.50
3 Percentage of Low Income Home Energy Assistance Program (LIHEAP) customers that participated in GAP /2/	32.6%
4 Disconnection rates for:	
(a) GAP customers	2.4%
(b) LIHEAP – Non GAP customers	6.0%
(c) non-LIHEAP customers (all firm customers including C&I) /3/	3.0%
5 Number of GAP participants enrolled as of year-end	7,935
6 Number of GAP participants enrolled and receiving benefits at some time during the year	11,067
7 Annual program budget	\$ 5,000,000
8 Actual program revenue	\$ 4,242,706
9 Actual program cost /4/	\$ 4,481,864
10 GAP tracker balance as of year-end	\$ 4,688,151
11 GAP rate-affordability surcharge (\$/therm) /5/	0.00000

1/ The average annual affordability benefit was calculated by taking the total of the monthly affordability credits for the customers on the program during 2019, dividing by the total number of GAP participants during the year, and then multiplying by 12 months. This was done to match the methodology for reporting the average monthly affordability payment, thereby ensuring that the credit and payment averages were comparable. Since not all GAP participants were in the program for a full 12 months, the Company did not report a simple average of the total program affordability component cost and dividing by the total number of program participants.

2/ Since the LIHEAP calendar year begins in October – three months before the GAP program year begins – some LIHEAP recipients may have participated during the prior GAP year but not the current. Thus, this percentage was calculated as the number of 2019 GAP participants who received LIHEAP from October prior year through September current year, divided by the number of customers who received LIHEAP during that time period.

3/ “All firm customers” in this case includes LIHEAP and non-LIHEAP customers. The Commission’s November 18, 2009 Order, in Ordering Paragraph No. 4(B), instructed utilities to report: “The percentage of GAP customers disconnected compared to the percentage of all firm customers disconnected; in addition, a comparison of the percentage of GAP customers disconnected to the percentage of disconnected LIHEAP customers that do not participate in GAP.”

4/ Total affordability credits + total arrearage credits + incremental administrative cost.

5/ The final rate from Docket No. G-008/GR-17-285 is \$0.00441/therm (effective November 2018). Effective September 1, 2019 a rate of \$0.00000/therm per the Order in G008/M-19-255

CenterPoint Energy
GAP Annual Compliance: Bad Debt Expense

Line	Description	2019		
1	Difference in % Tot pmt req paid		13.6%	
2	Total Payment requested	\$	4,686,446	
3	Diff in Tot pmt req paid	\$	637,324	
4	Incremental LIHEAP - annual report	\$	(489,502)	
5	Total GAP credits	\$	4,109,588	
6	Change in custo payments, LIHEAP, and GAP cr	\$	4,257,411	
7				
8	Change in A/R balance	\$	(4,257,411)	
9	Write-off/Arrears percentage		4.6%	
10	Write-off reduction	\$	(195,841)	
11	Bad Debt Expense reduction, minimum	\$	(195,841)	
12				
13				
14	Total Payment requested, 2019 GAP Participants	\$	11,764,191	\$ 4,686,446
15				
16	Total Full payment	\$	1,287,469	\$ 806,797
17	Total Partial payment	\$	816,388	\$ 653,168
18	Total on-account payment	\$	47,775	\$ 146,957
19	Total Payments	\$	2,151,632	\$ 1,606,922
20				
21	Tot Pmt/Tot Pmt requested		18.3%	34.3%
22				16.0%
23	Total Payment requested, 2019 GAP Participants	\$	11,764,191	
24	Percent change in average bill from 2018 to 2019		-9%	
25	Change in tot pmt requested due to 2018 to 2019 chgs	\$	(1,061,607)	15.0%
26	Tot pmt requested, 2019 pro forma	\$	10,702,584	
27	Tot pmt requested, 2019 on GAP actual	\$	4,686,446	
28	Change in tot pmt requested due to GAP	\$	(6,016,138)	85.0%
29	Total change in tot pmt requested, 2018 to 2019	\$	(7,077,745)	100.0%

Line			2019 CPE GAP Report
1	2011 Order Language ¹	3. Utilities shall implement an application processing goal of processing ninety-five percent of all complete gas affordability applications within thirty days of receipt by the utility ...	Section 23
2		6. Each utility shall require its third-party administrator to make GAP applications available electronically on the administrator's websites as a condition of being the third-party administrator for the program.	Section 23
3		7. Each utility shall call or mail reminders to its GAP customers after one missed payment to reduce the number of customers removed from the GAP due to missing two consecutive monthly payments.	Section 1
4		8. Each utility shall cross-promote its GAP with other bill payment and conservation assistance programs.	Section 22
5	2013 Order Language ²	1. The Commission will require the Companies to include a summary schedule that includes the average annual affordability benefit received per customer.	Schedule A
6		2. The Commission will require the Companies to include a summary schedule that includes the average annual arrearage forgiveness benefit received per customer.	Schedule A
7		3. The Commission will require the Companies to include a summary schedule that includes the percentage of Low Income Home Energy Assistance Program (LIHEAP) customers that participated in GAP.	Schedule A
8		4. The Commission will require the Companies to include a summary schedule that includes the disconnection rates for (a) GAP customers, (b) LIHEAP – Non GAP customers, and (c) non-LIHEAP customers (all firm customers including C&I).	Schedule A
9		5. The Commission will require the Companies to include a summary schedule that includes the number of GAP participants enrolled as of year-end.	Schedule A

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

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

10		6. The Commission will require the Companies to include a summary schedule that includes the number of GAP participants enrolled and receiving benefits at some time during the year.	Schedule A
11		7. The Commission will require the Companies to include a summary schedule that includes the annual program budget.	Schedule A
12		8. The Commission will require the Companies to include a summary schedule that includes the actual program revenue.	Schedule A
13		9. The Commission will require the Companies to include a summary schedule that includes the actual program cost.	Schedule A
14		10. The Commission will require the Companies to include a summary schedule that includes the GAP tracker balance as of year-end.	Schedule A
15		11. The Commission will require the Companies to include a summary schedule that includes the GAP rate-affordability surcharge (\$/therm).	Schedule A
16	2015 Order Language ³	2. Each utility shall include in its next Annual Compliance Report an explanation of why it does not assess the GAP surcharge against Interruptible Sales and Transportation Customers, a proposal evaluating cost allocation methods for its GAP program, and the recalculated surcharge for various alternatives if Interruptible Sales and Transportation Customers were included.	
17	2017 Order Language ⁴	2. CenterPoint and Xcel shall continue to report customer payments, arrears balances and disconnection rates using both the non-GAP LIHEAP baseline method and pre-program baseline method beginning with their 2017 annual reports of the GAP.	<u>Customer Payments:</u> Section 9; <u>Arrears Balances:</u> Section 12; <u>Disconnection Rates:</u> Section 14
18	2018 Order Language ⁵	2. The Commission hereby adopts the streamlined reporting format in Attachment A of the Stakeholder Utility Report.	Schedule D

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

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

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

2019	
Program dates and status	
Date program started	5/1/2007
Program effective date	1/1/2017
Date next evaluation report due	5/31/2022
Date last evaluation completed	5/31/2019
Last evaluation docket number	G-008/M-19-367
Status of program (pilot or permanent)	Permanent
Date pilot program ends, if applicable	N/A
Date of last Evaluation Order	1/17/2020
Program administrator	Energy CENTS Coalition
Participant benefits	
Description of affordability benefit - maximum payment as % of household income	4%
Description of arrearage forgiveness benefit - repayment period	12 months
Average annual income per participant	\$13,377
Average annual bill per participant	\$931
	\$490
Average annual affordability benefit per participant	\$383
Average annual arrearage forgiveness benefit per customer	\$240
Average total benefit per participant	\$622
Cost and Cost Recovery	
Annual budget	\$5,000,000
Actual revenue	\$4,242,706
Annual cost	\$4,333,681
Surcharge (\$/therm)	0.00441 Jan - Aug / 0.00000 Sep - Dec
Annual cost of surcharge for average residential customer who uses 900 therms of gas per year	\$2.95
Customer classes assessed the GAP surcharge	Firm Customers (Residential, Commercial A, Commercial/Industrial - B, Commercial/Industrial - C, and Large General Service)
Tracker balance as of year-end	(\$4,688,151)
Participation	
% of LIHEAP customers that participated in GAP	50%
Number of participants enrolled as of year-end	7,935
Number of participants enrolled and receiving benefits at some time during the year	11,067
Whether a waiting list occurred at any time during the year	No
If so, the number of customers on the waiting list and for how long	N/A

Impact on disconnection rates	
Disconnection rates - non-GAP LIHEAP baseline	
GAP participants	2.4%
Non-GAP LIHEAP customers	6.0%
Non-LIHEAP residential customers	3.0%
Disconnection rates - pre-program baseline	
GAP participant cohort	Year 2019 GAP Participants <i>prior to</i> enrolling in GAP during Year 2019.
GAP participants cohort before they were enrolled in GAP	4.1%
Impact on payment frequency	
Dollars paid ÷ dollars requested	
Non-GAP LIHEAP Baseline	
GAP participants	34%
Non-GAP LIHEAP customers	37%
Non-LIHEAP residential customers	89%
Pre-Program Baseline	
GAP participant cohort	2019 GAP Participants: 12 Months Prior
GAP participant cohort before they were enrolled in GAP	18%
Number of payments made paid ÷ number of payments requested	
Non-GAP LIHEAP baseline	
GAP participants	74%
Non-GAP LIHEAP customers	55%
Non-LIHEAP residential customers	88%
Pre-program baseline	
GAP participant cohort	2019 GAP Participants: 12 Months Prior
GAP participant cohort before they were enrolled in GAP	48%
Impact on arrears	
% Customers in arrears	
Non-GAP LIHEAP baseline	
GAP participants	37%
Non-GAP LIHEAP customers	24%
Non-LIHEAP residential customers	9%
Pre-Program baseline	
GAP participant cohort	Active GAP participants (with arrears) at January 2019, who remained an active GAP Participant in January 2019 through December 2019.
GAP participant cohort before they were enrolled in GAP	79 (customer count that meets the criteria above)

Dollar amount of arrears	
% Change in dollar amount of arrears (non-GAP LIHEAP baseline)	
GAP participants	0%
Non-GAP LIHEAP customers	-7%
Non-LIHEAP residential customers	-9%
Dollar amount of arrears (pre-Program baseline)	
GAP participant cohort	Active GAP participants (with arrears) at January 2019, who remained an active GAP Participant in January 2019 through December 2019.
GAP participant cohort before they were enrolled in GAP	-74%
Complaints	
Number of complaints	4
Nature of complaint(s)	Account balances and general GAP information (Section 18 of annual filing).
Retention	
GAP participant retention rate	77%
Impact on collection activity	
Brief description of effect of GAP on collection activity	The 2019 Report includes information on several significant areas of collection activity including an improvement in the payment frequency compared to pre-GAP payment behavior (Section 9), and a reduced rate of service disconnections compared to LIHEAP non-GAP customers or all firm customers (Section 14). These facts support the conclusion that GAP reduced collection activity for the Company.
Coordination with other programs	
Page(s) of report where coordination efforts described	Pages 19 - 23 (Section 22 of annual filing).

CenterPoint Energy Minnesota Gas
 GAP Tracker and Balance
 2020 Actuals & 2020 Forecast
 Current Approved GAP of \$0.0000
 Proposed Rate as of Sept. 1 for GAP of \$0.0236 (per Dt)

	Jan 20 Actual	Feb 20 Actual	Mar 20 Forecast	Apr 20 Forecast	May 20 Forecast	June 20 Forecast	July 20 Forecast	Aug 20 Forecast	Sept 20 Forecast	Oct 20 Forecast	Nov 20 Forecast	Dec 20 Forecast
Expenses												
1 Beginning Tracker Balance (\$) - Under / (Over) Recovered	(4,688,151)	(4,569,143)	(4,411,414)	(4,129,099)	(3,821,954)	(3,469,852)	(3,102,588)	(2,665,741)	(2,249,362)	(1,914,201)	(1,583,653)	(1,356,363)
2 GAP Program Expenditures - Arrears & Afford Credits; Admin Costs	119,008	157,729	282,315	307,145	352,102	367,264	436,847	416,379	403,001	418,336	403,534	359,077
3 Tracker Balance After Expenses (Line 1 + Line 2)	(4,569,143)	(4,411,414)	(4,129,099)	(3,821,954)	(3,469,852)	(3,102,588)	(2,665,741)	(2,249,362)	(1,846,360)	(1,495,866)	(1,180,119)	(997,286)
Recovery												
4 Total Volumes (Dt)	20,422,173	20,403,989	17,413,261	10,898,129	6,533,789	3,698,989	2,752,643	2,424,668	2,874,632	3,719,769	7,467,986	14,812,577
5 Base Rate Recovery (GAP) (per Dt)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0236	0.0236	0.0236	0.0236
6 Base Rate Cost Recovery (\$) (Line 4 * Line 5)	-	-	-	-	-	-	-	-	(67,841)	(87,787)	(176,244)	(349,577)
7 Interim Rate	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
8 Interim Rate Recovery (Line 4 * Line 7)	-	-	-	-	-	-	-	-	-	-	-	-
9 Total Recovery (Line 6 + Line 8)	-	-	-	-	-	-	-	-	(67,841)	(87,787)	(176,244)	(349,577)
10 Ending Tracker Balance - Under / (Over) Recovered (Line 3 + Line 9)	(4,569,143)	(4,411,414)	(4,129,099)	(3,821,954)	(3,469,852)	(3,102,588)	(2,665,741)	(2,249,362)	(1,914,201)	(1,583,653)	(1,356,363)	(1,346,863)

CenterPoint Energy Minnesota Gas
 GAP Tracker and Balance
 2021 Forecast
 Proposed Rate for GAP of \$0.0236 (per Dt)

	Jan 21 Forecast	Feb 21 Forecast	Mar 21 Forecast	Apr 21 Forecast	May 21 Forecast	June 21 Forecast	July 21 Forecast	Aug 21 Forecast	Sept 21 Forecast	Oct 21 Forecast	Nov 21 Forecast	Dec 21 Forecast
Expenses												
1 Beginning Tracker Balance (\$) - Under / (Over) Recovered	(1,346,863)	(1,605,639)	(1,860,062)	(2,001,781)	(1,966,063)	(1,784,472)	(1,521,519)	(1,169,874)	(830,009)	(513,520)	(202,354)	6,239
2 GAP Program Expenditures - Arrears & Afford Credits; Admin Costs	223,187	227,110	269,234	292,914	335,788	350,248	416,607	397,087	384,329	398,953	384,837	342,440
3 Tracker Balance After Expenses (Line 1 + Line 2)	(1,123,676)	(1,378,528)	(1,590,828)	(1,708,867)	(1,630,275)	(1,434,223)	(1,104,912)	(772,787)	(445,679)	(114,567)	182,483	348,680
Recovery												
4 Total Volumes (Dt)	20,422,173	20,403,989	17,413,261	10,898,129	6,533,789	3,698,989	2,752,643	2,424,668	2,874,632	3,719,769	7,467,986	14,812,577
5 Base Rate Recovery (GAP) (per Dt)	0.0236	0.0236	0.0236	0.0236	0.0236	0.0236	0.0236	0.0236	0.0236	0.0236	0.0236	0.0236
6 Base Rate Cost Recovery (\$) (Line 4 * Line 5)	(481,963)	(481,534)	(410,953)	(257,196)	(154,197)	(87,296)	(64,962)	(57,222)	(67,841)	(87,787)	(176,244)	(349,577)
7 Interim Rate	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
8 Interim Rate Recovery (Line 4 * Line 7)	-	-	-	-	-	-	-	-	-	-	-	-
9 Total Recovery (Line 6 + Line 8)	(481,963)	(481,534)	(410,953)	(257,196)	(154,197)	(87,296)	(64,962)	(57,222)	(67,841)	(87,787)	(176,244)	(349,577)
15 Ending Tracker Balance - Under / (Over) Recovered (Line 3 + Line 9)	(1,605,639)	(1,860,062)	(2,001,781)	(1,966,063)	(1,784,472)	(1,521,519)	(1,169,874)	(830,009)	(513,520)	(202,354)	6,239	(897)

Docket No. G-008/M-20-____

March 31, 2020

Schedule G:

Revised Draft Tariff Page

Section V, Page 25.a

REDLINE

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. The GAP recovery rate is ~~\$0.00236~~~~\$0.00000~~ per therm during the time interim rates are in effect in Docket No: G-008/GR-19-524. CenterPoint Energy may petition the Commission to adjust this rate in order to true up the Program balance in the Tracker.

5) Evaluation:

- 5.1) The Program shall be evaluated on or before May 31, ~~2019~~2022. 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.

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.

CERTIFICATE OF SERVICE

Erica Larson served the above Compliance Filing and exhibits of CenterPoint Energy to all persons at the addresses indicated on the attached list by having the document delivered by electronic filing.

/s/ _____

Erica Larson
Regulatory Analyst
CenterPoint Energy

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	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
James J.	Bertrand	james.bertrand@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Brenda A.	Bjorklund	brenda.bjorklund@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Marie	Doyle	marie.doyle@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall P O Box 59038 Minneapolis, MN 554590038	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Edward	Garvey	garveyed@aol.com	Residence	32 Lawton St Saint Paul, MN 55102	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Robert	Harding	robert.harding@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 55101	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Amber	Lee	Amber.Lee@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351 Cedar Rapids, IA 524060351	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Elizabeth	Schmiesing	eschmiesing@winthrop.com	Winthrop & Weinstine, P.A.	225 South Sixth Street Suite 3500 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix And Associates	7400 Lyndale Ave S Ste 190 Richfield, MN 55423	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Peggy	Sorum	peggy.sorum@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	200 S 6th St Ste 470 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_CenterPoint Energy Minnesota Gas_GEN_SL_CenterPoint Energy Minnesota Gas_General Service List 2019