

September 16, 2025

PUBLIC DOCUMENT

Sasha Bergman
Interim Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **PUBLIC** Comments of the Minnesota Department of Commerce
Docket No. G008/M-25-72

Dear Mr. Bull:

Attached are the **PUBLIC** comments of the Minnesota Department of Commerce (Department) in the following matter:

Request for a Change in Contract Demand Entitlement.

The Petition was filed by CenterPoint Energy on April 1, 2025.

The Department requests that CenterPoint Energy of Minnesota Gas provide additional information in Reply Comments. The Department will provide its recommendation after it has had an opportunity to review CenterPoint's Reply Comments and November 1, 2025, filing in this docket, and is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ Dr. SYDNIE LIEB
Assistant Commissioner of Regulatory Analysis

JPK/LB/ar
Attachment



Before the Minnesota Public Utilities Commission

PUBLIC Comments of the Minnesota Department of Commerce

Docket No. G002/M-25-72

I. INTRODUCTION

The Minnesota Department of Commerce, Division of Energy Resources (Department) provides its comments on the Demand Entitlement Filing (Petition) of CenterPoint Energy (CenterPoint, CPE or the Company) in Docket No. G008/M-25-72. Pursuant to Minn. R. 7825.2910, Subp. 2, CPE filed a petition requesting a change in demand units on April 1, 2025.¹

The Company proposes an increase in its overall demand entitlement based on an increased design day estimate for the upcoming 2025-2026 heating season. The Company's proposed increase to the firm capacity component of its demand entitlement consists of two agreements with the Northern Natural Gas Interstate Pipeline (Northern or NNG). The first being additional capacity NNG has built in conjunction with Northern's 2025 Northern Lights offering as well as a small amount of existing firm capacity CenterPoint was awarded via an open season earlier this year.

The Company is also requesting recovery of the costs of three new or renewing non-capacity related storage agreements. These include a new storage partnership agreement with ANR Pipeline (ANR), a new marketer storage agreement with BP Canada, and a second storage/transport agreement with Tenaska Gas Storage LLC (Tenaska) and East Cheyenne Gas Storage LLC (East Cheyenne).

CenterPoint also included a proposed Asset Management Agreement with Tenaska for CPE's summer season capacity-release program on Viking Gas Company (Viking). The Company notes that proposed agreement will result in a credit to ratepayers of at least [TRADE SECRET DATA HAS BEEN EXCISED] in 2025.

The Company's three proposed increases to its demand cost recovered through the Purchased Gas Adjustment during 2025 are:

- \$6.9 million on April 1, 2025.
- \$5.4 million on May 1, 2025.
- \$8.6 million (estimate) on November 1, 2025.²

¹ [Minn. R. 7825.2910, Subp. 2](#): "Filing upon a change in demand. Gas utilities shall file for a change in demand to increase or decrease demand, to redistribute demand percentages among classes, or to exchange one form of demand for another."

² *Request for a Change in Demand Units*, Supplemental Filing, April 11, 2025, Docket No. G0008/M-25-72 (eDockets) [20254-217534-01](#) (hereinafter "2025 Supplement").

The sum of those three proposed increases is \$20.9 million. CenterPoint estimates that these proposed increases will result in an increase of \$15.45 per year for an average residential customer.

The Department will provide its final recommendations upon review of the Company's Reply Comments and its November 1, 2025, compliance filing which will include CPE's final demand costs for the November 2025 through October 2026 period.

II. PROCEDURAL BACKGROUND

April 1, 2025	CPE submitted its petition requesting a change in its 2025-2026 Contract Demand Entitlement. ³
April 11, 2025	CPE submitted a supplemental filing correcting a calculation in the demand charges for the proposed ANR contract. This correction lowered the amount of annual demand charges for that agreement. ⁴
May 29, 2025	CPE submitted its 2025-2026 Design Day calculation in a compliance filing. ⁵

III. DEPARTMENT ANALYSIS

The Department's analysis of the Company's request includes the following areas:

- The proposed overall demand entitlement levels.
- The design-day estimate.
 - A review of CenterPoint's efforts to recognize the effects of electrification/decarbonization into its design-day estimate and annual sales forecast.
- The proposed reserve margin.
- The PGA cost recovery proposal.
- A review of the Company's efforts to meet the Commission's reporting requirements in Orders relating to this filing.
- Distribution planning assumptions update.

³ *Request for a Change in Demand Units*, Petition, April 1, 2025, Docket No. G0008/M-25-72 (eDockets) [20254-217131-01](#) (hereinafter "2025 Petition").

⁴ 2025 Supplement at **Trade Secret** Exhibit A page 4.

⁵ *Request for a Change in Demand Units*, Compliance Filing, May 29, 2025, Docket No. G0208/M-25-72 (eDockets) [20255-219344-02](#) (hereinafter "2025 Compliance").

A. PROPOSED CHANGES TO CENTERPOINT'S DEMAND ENTITLEMENT

This section addresses any proposed changes to firm pipeline capacity and non-capacity related services like physical storage. The initial discussion concerns any changes to the quantities and/or rates for the Company's new or existing firm pipeline capacity (FPC). A review of non-capacity issues/agreements then follows.

The Department discusses six FPC related changes in the filing. Three of these proposed changes concern NNG. Of the remaining three, one involves Viking Gas Transmission Company (Viking), the second Trailblazer Pipeline (Trailblazer) and the third, Tenaska.

A.1 FPC Changes for 2025-2026 Winter Season

CenterPoint contracts for firm capacity on two interstate pipelines to provide natural gas service to its Minnesota service area. NNG is the primary interstate pipeline providing firm capacity to CenterPoint Energy in Minnesota. CPE noted in the Petition that it has added or will be adding firm pipeline capacity on NNG from the following two agreements.

A.1.1 NNG TFX Agreement

CPE's largest contract for firm pipeline capacity with Northern is the NNG TFX Agreement (TFXA or Agreement), contract number **[TRADE SECRET DATA HAS BEEN EXCISED]**. The current iteration of the TFXA was negotiated in 2017 and effective as of November 1, 2018, and covers discounted rate structures and growth expansion rights. The Agreement's term is through October 31, 2034.⁶

The TFXA is unique in that it is a component of each of CPE's annual contract demand filings. NNG and the Company have negotiated an amendment to the Agreement annually since 2017. The TFXA is structured such that NNG issues an open season for expansion growth election rights every odd year. These biennial open seasons are named "Northern Lights 20XX".

i. NNG- Northern Lights 2025

CPE submitted an initial offer for 49,500 Dth/day of additional firm capacity in the 2025 Northern Lights open season. NNG's estimated cost for that amount of additional capacity was \$133 million. The Company re-evaluated its alternative capacity options for this additional capacity and then engaged in a lengthy negotiation with NNG to determine the lowest-cost option that would provide that amount of winter capacity and still allow CPE to provide reliable service. The Company finally agreed to 15,000

⁶ The information related to the TFXA discussed was provided by CenterPoint in DOC information request no. 8 which is included as **TRADE SECRET** Attachment DOC-1.

Dth/day of winter capacity and the cost was estimated to be approximately [TRADE SECRET DATA HAS BEEN EXCISED]⁷

Given the magnitude and duration of the TFXA, the Agreement has a unique cost-recovery mechanism. CenterPoint pays the NNG Contribution-in-Aid-of-Construction (CIAC) to NNG directly and then creates an intangible asset for that same amount. This intangible asset then becomes part of rate base and CPE recovers the costs associated with that additional capacity through base rates over a multi-year period.⁸ Those costs are not recovered through the Purchased Gas Adjustment (PGA). The demand costs are associated with every other agreement the Company has for firm capacity with an interstate pipeline through the PGA.⁹

CenterPoint witness Drew T. Sudbury requested two NNG CIAC's be included in rate base in the Company's 2023 general rate case, Docket No. G008/GR-23-173 in his direct testimony.¹⁰ This \$30.1 million amount represents the amount NNG CIAC CPE paid for the 2023 Northern Lights additional capacity. The Company also requested (forecasted) \$13.3 million in NNG CIAC for 2025. CenterPoint filed a settlement in that docket on November 25, 2024.¹¹ On page 2 of Attachment A of that document, the settled amount approved for intangible plant is \$33.015 million. This is the same amount Mr. Sudbury proposed for intangible plant in his direct testimony, so the Department concludes there was no adjustment to the Company's request. The Commission approved that settlement and the financial schedules in that settlement on June 27, 2025.¹²

Hence, CPE's forecasted contract demand update for 2025-2026 on November 1, 2025, includes the additional 15,000 Dth/day of firm capacity, but the costs associated with that capacity addition are not reflected in the PGA rates CPE calculated.¹³

The Department's only concern regarding this transaction is the Commission has already conditionally approved a 2025 NNG CIAC of \$13.3 million for the 2025 test year. Department information request no. 8, subpart asked:

⁷ **TRADE SECRET** Attachment DOC-2 includes this information and is sourced from DOC information request no. 3 in Docket No. G008/M-24-146, which was CPE's 2024-2025 Contract Demand Entitlement filing.

⁸ *In the Matter of CenterPoint Energy Minnesota Gas Request for a Change in Demand Units*, PUC Order, May 7, 2024, Docket No. G008/M-22-306 at Order Point 5 (eDockets) [20245-206456-01](#) (hereinafter "2022-2023 Filing").

⁹ See Minn. R. [7825.2910](#) and [7825.2700](#).

¹⁰ *In the Matter of the Application of CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas for Authority to Increase Rates for Natural Gas Utility Service in Minnesota*, Direct Testimony, November 1, 2023 at 30-31, Docket No. G008/GR-23-173 (eDockets) [202311-200110-01](#).

¹¹ *In the Matter of the Application of CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas for Authority to Increase Rates for Natural Gas Utility Service in Minnesota*, Settlement Agreement, November 25, 2024, Attachment A at 2, Docket No. G008/GR-23-173 (eDockets) [202411-212407-01](#).

¹² *In the Matter s Petition by CenterPoint Energy Minnesota Gas for Authority to Increase Natural Gas Rates in Minnesota*, PUC Order, June 27, 2025, Docket No. G008/GR-23-173 (eDockets) [20256-220411-01](#) at Order Point 6.

¹³ **TRADE SECRET** Petition EXHIBIT A, Page 4 of 4.

What was the Contribution-in-Aid to Construction (CIAC) that CenterPoint and NNG agreed to for the 15,000 Dth/day of winter season capacity and what was added to CenterPoint's rate base in its 2023 rate case?

CenterPoint's response was **[TRADE SECRET DATA HAS BEEN EXCISED]**.¹⁴ The discrepancy between the two figures for CPE's 2025 Northern Lights NNG CIAC is concerning. The Department requests the Company explain the reasons for the difference between the two figures in its Reply Comments.

The Department will provide a recommendation to the Commission regarding this transaction once it has had an opportunity to review CPE's Reply Comments and its response to this issue.

A.1.2 NNG- Carlton South Agreement

CenterPoint is requesting recovery of costs associated with 60 Dth/day of firm capacity it was awarded through an open season on NNG for Generally Available capacity at the Carlton South receipt point.¹⁵ Department information request no. 7 asked a series of questions related to this transaction.¹⁶ For example, the Department asked CenterPoint to provide a copy of CPE's bid for the capacity and a copy of the communication from NNG regarding CPE receiving this 60 Dth/day of additional firm capacity. The Company provided those two documents as Trade Secret Attachment DOC 007 _ CNP Bid and Trade Secret Attachment DOC 007 _ Award. The Department notes: 1) this contract began on April 1, 2025, and has a term of **[TRADE SECRET DATA HAS BEEN EXCISED]** years and 2) the total annual expense in 2025 for this 60 Dth/day of capacity is **[TRADE SECRET DATA HAS BEEN EXCISED]**.¹⁷

The Department reviewed the two attachments and concludes the transaction should be approved for cost recovery.

A.1.3 Trailblazer Backhaul Agreement

The Department noted during its initial review of the Petition that the rate for the Trailblazer Backhaul agreement increased effective April 1, 2025.¹⁸ While the nominal amount of the increase wasn't large, **[TRADE SECRET DATA HAS BEEN EXCISED]**, the increase in percentage terms **[TRADE SECRET DATA HAS BEEN EXCISED]** percent was notable.

Department information request (IR) no. 9 asked for more information regarding this increase, specifically, support for the increase. CenterPoint's **Trade Secret** response provided language from the negotiated agreement between CPE and Trailblazer for the **[TRADE SECRET DATA HAS BEEN EXCISED]**.

¹⁴ See **TRADE SECRET** Attachment DOC-1.

¹⁵ Petition at 2.

¹⁶ See **TRADE SECRET** Attachment DOC-3 which includes a copy of IR 7.

¹⁷ Petition, **TRADE SECRET** Exhibit A, at 2.

¹⁸ [Trailblazer](#) begins in Cheyenne, Wyoming and terminates in Beatrice, Nebraska. It doesn't provide natural gas service directly to Minnesota. This contract does allow CPE to move natural gas from storage in Wyoming to an interconnection point on NNG. That natural gas is then delivered to CPE's Minnesota's service area.

This language tied the rate increase to CPE's **[TRADE SECRET DATA HAS BEEN EXCISED]**.¹⁹ While the Department recognizes the need and value of this firm winter capacity on Trailblazer for CPE's ratepayers, the Department does ask that CenterPoint explain in Reply Comments why the Company decided it needed to **[TRADE SECRET DATA HAS BEEN EXCISED]**.

The Department will provide a recommendation to the Commission regarding this transaction once it has had an opportunity to review CPE's Reply Comments and its response to this issue.

A.1.4 Tenaska/CenterPoint Asset Management Agreement for Viking Summer Season Capacity Release and Gas Sales

CenterPoint executed an Asset Management Agreement (AMA) with Tenaska that allows Tenaska to market CPE's summer season capacity on Viking and to supply CenterPoint with any quantity of natural gas daily that CPE wants to purchase and have delivered.²⁰ The AMA's term is the 2025 summer season, which is consistent with FERC regulations and policy regarding the capacity-release market.²¹

The AMA requires Tenaska to pay CenterPoint a daily demand rate of **[TRADE SECRET DATA HAS BEEN EXCISED]**.²² Tenaska has also agreed to **[TRADE SECRET DATA HAS BEEN EXCISED]**.²³ The Company also mentioned that its estimated minimum credit under the AMA for summer season 2025 would be higher than it has been during the past three summer seasons.²⁴

IR 17 asked a series of questions regarding the AMA.²⁵ Subpart a of IR 17 asked for information regarding the process CenterPoint used to award the contract. The Department specifically asked if CPE had issued a Request for Proposals (RFP) as a means of getting more vendors to participate in the exercise. CenterPoint responded that it was comfortable not pursuing an RFP or competitive bidding process due to the length of the agreement which was the 2025 Summer season.

Subpart d of IR 17 asked for a detailed explanation of the Company's reasons for accepting the Tenaska's proposal. CPE did provide a detailed response. In part, the Company stated:

[TRADE SECRET DATA HAS BEEN EXCISED] The Department requests that CenterPoint include additional detail and examples explaining the meaning of the quote in its Reply Comments.

¹⁹ See **TRADE SECRET** Attachment DOC-4 which includes a copy of IR 9.

²⁰ Petition at 4.

²¹ See [Skadden Summary](#).

²² CenterPoint estimates that this price for its excess capacity on Viking for the 2025 Summer Season will result in **[TRADE SECRET BEGINS...a minimum credit of \$2.6 ...TRADE SECRET ENDS]** million to CPE's ratepayers.

²³ Petition, **TRADE SECRET** Exhibit C5.

²⁴ **TRADE SECRET** Petition at 4.

²⁵ See **TRADE SECRET** Attachment DOC-5, which contains a copy of IR 17.

The Department also asks that CPE provide additional detail and examples regarding two defined terms included in the AMA, **[TRADE SECRET DATA HAS BEEN EXCISED]**.

Specifically, the Department is interested in understanding how those two terms are calculated. In the Petition, the Company referred to the AMA's approach as "revenue sharing". The Department is interested in determining if the calculations for the two concepts are consistent.

The Department does appreciate CenterPoint's efforts to increase the credit ratepayers receive from the sale of excess capacity on Viking. At the same time, the Department prefers all agreements be competitively bid (via an RFP).

The Department will provide a recommendation to the Commission regarding this transaction once it has had an opportunity to review CPE's Reply Comments and its response to this issue.

*A.1.5 NNG 2025 Rate Case before the Federal Energy Regulatory Commission –
Docket No. RP25-989-000*

On July 1, 2025, Northern Natural Gas filed a Section 4 rate case with the Federal Energy Regulatory Commission under Docket No. RP25-989-000²⁶, proposing changes to its transportation and storage rates. Any approved rate adjustments could directly affect the cost of interstate pipeline capacity serving CenterPoint Energy in Minnesota, including agreements reviewed in this docket. Because firm transportation and storage rates represent a significant portion of delivered natural gas costs, the outcome of RP25-989 may influence the reasonableness and prudence of CenterPoint's capacity-related expenditures under review in this proceeding. Changes in Northern's rates could alter the economics of capacity release arrangements utilized by CenterPoint, potentially impacting their cost-effectiveness and benefits to Minnesota ratepayers.

The Department requests that CenterPoint provide an update on the status of the NNG rate case in its Reply Comments.

A.1.6 Viking Firm Capacity Contract Renewal

CPE stated that they will submit a supplemental filing on November 1, 2025, which will include, among other things, a request for to renew CPE's contract with Viking.²⁷ IR 10 asked for more information regarding this agreement.²⁸ CenterPoint provided a copy of the amended agreement and a spreadsheet which Identified the basis for the rate increase and the annual and monthly effects on the Company's demand cost. Viking's rates for firm pipeline capacity increased 47.7% in February 2024 due

²⁶ See Attachment DOC-6 which includes a presentation NNG prepared for its customers regarding its 2025 Section 4 Rate Case, FERC Docket No. RP25-989-000, which was filed July 1, 2025.

²⁷ Petition at 3.

²⁸ See **TRADE SECRET** Attachment DOC-7 which includes a copy of IR 10.

to a settlement in a FERC rate case.²⁹ The amended agreement includes all of CPE's firm capacity on Viking. This rate change appears to be procedural in nature. CPE is already paying the higher Viking rates for capacity on an interim basis. Renewing this agreement formalizes those interim rates.

The Department requests CenterPoint confirm the Department's understanding of the financial and procedural aspects of the Company's contract for firm capacity with Viking in its reply comments.

The Department will provide a recommendation to the Commission regarding this transaction once it has had an opportunity to review CPE's Reply Comments.

A.2 Non-Capacity Changes for 2025-2026 Winter Season

CenterPoint is requesting approval of two agreements that combine the costs resulting from the purchase of additional physical storage and of the firm pipeline capacity required to move natural gas stored in those storage facilities to NNG.

A.2.1 ANR Storage/Transport Transaction

CenterPoint is requesting approval of demand charges associated with what the Company defines as a storage partnership with ANR Pipeline Company (ANR).³⁰

The Company participated in the Ventura Xpress Project Open Season ("Project") posted by ANR in September 2023 for 4.5 Bcf of firm storage services and the corresponding firm transportation services at ANR max tariff rates. The Project will deliver approximately 75,000 Dth/day of firm storage services from ANR storage to the Ventura interconnect on Northern Border Pipeline Company ("NBPL") via an agreement that ANR will enter into with NBPL.³¹

CenterPoint was awarded the full capacity for 15 years, beginning April 1, 2025. The cost of this additional capacity is **[TRADE SECRET DATA HAS BEEN EXCISED]**. CPE is proposing to recover **[TRADE SECRET DATA HAS BEEN EXCISED]** of that annual expense or **[TRADE SECRET DATA HAS BEEN EXCISED]** through the demand cost rate.

This is another proposed agreement for physical storage for which the storage facilities are not located on a pipeline that serves CPE's Minnesota service area, like the Tenaska/East Cheyenne agreement the Commission approved in the Company's 2024-2025 filing.³² In this instance, the storage facilities are located in Michigan and ANR contracts with a third party pipeline NBPL to transport this natural gas to

²⁹ See [VGT Tariff](#). Viking's rates for firm capacity for contracts with a term of 5 years or longer increased from \$3.8026/month to \$5.62/month.

³⁰ See [ANR Pipeline Overview](#).

³¹ Petition at 1.

³² *In the Matter of CenterPoint Energy Minnesota Gas' Request for Change in Demand Units*, PUC Order, June 23, 2025, Docket No. G008/M-24-146 at Order Point 5, (eDockets) [20256-200138-01](#) (hereinafter: 2024-2025 CPE CD Order).

the NNG system at which point CenterPoint maintains firm capacity rights.³³ Given this transaction's complexity, and the structure of ANR's tariff, this agreement includes five different more narrowly defined agreements.

CenterPoint is taking firm storage service under ANR Rate Schedule FSS for two of these agreements. Those FSS agreements contract numbers are **[TRADE SECRET DATA HAS BEEN EXCISED]** and the term of those agreements is **[TRADE SECRET DATA HAS BEEN EXCISED]**.

The remaining three agreements involve the transportation of that natural gas for injection and withdrawal to NNG. For example, CPE contracted for firm transportation service (FT-1) in contract number **[TRADE SECRET DATA HAS BEEN EXCISED]** and the term of that agreement is **[TRADE SECRET DATA HAS BEEN EXCISED]**. This FT-1 agreement allows CPE to transport natural gas to the ANR storage facilities during **[TRADE SECRET DATA HAS BEEN EXCISED]**.

Of the two remaining agreements, one is for FT-1 service, contract number **[TRADE SECRET DATA HAS BEEN EXCISED]**. The other is for FT-3 service, contract numbers **[TRADE SECRET DATA HAS BEEN EXCISED]**. The term of those agreements is **[TRADE SECRET DATA HAS BEEN EXCISED]**.

The goal of all these agreements is the delivery of 75,000 Dth/day of natural gas from storage during the winter season.

ANR and NBPL's tariffs require these agreements be adjusted to account for fuel changes to ensure the Maximum Daily Withdrawal Quantity to NNG remains constant. CPE is proposing to submit those annual rate changes on April 1 in this docket for the remainder of the contract.³⁴

IRs 11 through 13 asked for additional information on the ANR agreements. IR 11 asked for ANR's and NBPL's tariffs and additional information regarding the Transporter's Use percentage for natural gas used for transportation and ANR and NGPL's Electric Power Cost Surcharge. CenterPoint provided the information as requested.³⁵

IR 12 asked for additional information on how the various contracts were organized within the overall agreement, more information on the Primary Route selected and the basis for CPE increasing the partnership's Maximum Daily Quantities (MDQs). CenterPoint provided the information as requested.³⁶

IR 13 asked for additional information on the firm storage service agreements. CenterPoint provided the information as requested.³⁷

³³ See [Northern Border Pipeline Overview](#).

³⁴ Petition at 2.

³⁵ See Attachment DOC-8 which includes a copy of IR 11.

³⁶ See Attachment DOC-9 which includes a copy of IR 12.

³⁷ See Attachment DOC-10 which includes a copy of IR 13.

The Department reviewed the information provided in IRs 11 through 13. The Department is still in the process of attempting to understand the various components of ANR and NBPL's tariffs and CenterPoint's rationale for structuring the storage partnership in this fashion. The Department will continue to review these IR responses and provide a recommendation in its supplemental comments.

A.2.2 Tenaska//East Cheyenne Storage Partnership Transaction

CenterPoint is requesting approval of demand charges associated with the storage partnership between Tenaska and East Cheyenne for firm storage services effective April 1, 2025 – March 31, 2028.³⁸ East Cheyenne held an open season for 3.5 Bcf maximum storage capacity per year of which Tenaska was awarded 3.2 Bcf adding storage deliverability to the Company's portfolio of 38,400 Dth/day.³⁹ This annual storage fee inclusive of storage and transport is equal to **[TRADE SECRET DATA HAS BEEN EXCISED]**⁴⁰

This is the second combination storage/transport agreement that CPE has concluded with Tenaska/East Cheyenne Storage. CenterPoint's first agreement with this vendor was effective April 1, 2024. The Commission approved that agreement in its order for CPE's 2024-2025 contract demand entitlement filing.⁴¹ The Department analyzed the basis for this initial agreement with Tenaska/East Cheyenne at length in its comments in the 24-146 docket concluded the agreement was reasonable and should be approved.⁴² The Department didn't recreate that analysis for this second agreement given the following information:

- The rate that CenterPoint is paying Tenaska/East Cheyenne in this second proposed agreement is identical to the rate approved in the first Tenaska/East Cheyenne agreement,
- The quantity of storage is larger.
- The term of the second agreement is shorter (3 years versus 5 years),
- The demand for physical storage appears to be greater than the supply of available physical storage.
- Additional physical storage is the resource the highest level of risk mitigation benefits relative to short-term price spikes, like Winter Storm Uri.

The Department did ask for additional information and support regarding the proposed agreement in IR 14.⁴³ The Department reviewed this information and found it consistent with the Company's rationale in the Petition.

The Department considers the Company's request to recover the costs of this second Tenaska/East Cheyenne agreement to be reasonable. However, the Department will defer making a

³⁸ Petition at 1.

³⁹ Petition at 3.

⁴⁰ Ibid.

⁴¹ 2024-2025 CPE CD Order at Order Point 5.

⁴² ⁴² *In the Matter of CenterPoint Energy Minnesota Gas' Request for Change in Demand Units*, Comments and Response to Reply Comments, July 31, 2024 and November 15, 2024, Docket No. G008/M-24-146 at 12-14 and 17-21 (eDockets) [20247-209152-02](#) and [202411-212010-02](#).

⁴³ See Attachment DOC-11 which includes IR 14.

recommendation on this agreement until it has reviewed the Company's November 1, 2025, compliance filing and has the most recent information regarding the market for physical storage at that time.

A.2.3 New Marketer Storage Agreement

CenterPoint Energy requests approval of demand charges associated with the replacement of its Marketer Storage agreement awarded by Request for Proposal in August 2024 effective May 1, 2025.⁴⁴ The agreed upon demand charge of [TRADE SECRET DATA HAS BEEN EXCISED]⁴⁵

This agreement replaces an existing marketer agreement for storage with a similar duration, although the price of storage has increased significantly. Table 1 summarizes the historical information regarding this type of agreement since 2011.

The Department collected the information in Table 1 to provide a point of comparison for the large increase in rates between the previous and proposed agreements. The proposed agreement proposes a 62 percent increase in the rates for marketer storage. Averaging that increase over 5 years would equal an approximate 12% percent annual increase. While that average annual increase appears to be high given the current economic environment, it is interesting to note that it appears to be the second highest average annual percentage increase since 2011. The Department also calculated the overall average annual increase for the agreements effective between 2011 – 2022. It is approximately 10%.⁴⁶

Table 1 – Comparison of Short-term Marketer Storage Agreements Rates 2011-2030 ^{47, 48, 49, 50, 51, 52}

Vendor	Tenaska	Tenaska^	Tenaska	BP Canada	BP Marketing	BP Marketing
Term (yrs)	3	2	3	3	2.5	5
Start Date	11/1/2011	11/1/2014	11/1/2016	11/1/2019	11/1/2022	5/1/2025
Quantity	5 Bcf	5 Bcf	10 Bcf	10 Bcf	10 Bcf	10 Bcf
Rate/Dth/Month	\$0.88	\$0.88	\$1.04	\$1.48	\$1.74	\$2.81
Percentage Change	NA	NA	18%	42%	17%	62%
Avg. Ann. Increase (%)	NA	NA	6%	14%	7%	12%

This result suggests the average annual increase in the rates for short-term storage is increasing at an annual rate well above the Consumer Price Index (CPI) for example. The CPI only increased 3.5 percent on average over that same period.

⁴⁴ Petition at 1.

⁴⁵ Petition at 3.

⁴⁶ $((\$1.74-0.88)/0.88)/9.5$.

⁴⁷ *In the Matter of CenterPoint Energy Minnesota Gas' Request for Change in Demand Units*, Petition, May 11, 2011, Docket No. G008/M-11-1078 Exhibit C at 1 (eDockets) [201111-67945-02](#).

⁴⁸ *In the Matter of CenterPoint Energy Minnesota Gas' Request for Change in Demand Units*, Petition, July 1, 2016, Docket No. G008/M-16-571 at 1 (eDockets) [20167-122981-01](#).

⁴⁹ Ibid, Petition at 1.

⁵⁰ 2019-2020 CD Filing, Petition at **Trade Secret** Exhibit C1, May 1, 2019 (eDockets) [20195-152563-05](#).

⁵¹ 2022-2023 CD Filing, Petition Exhibit C2, June 29, 2022 (eDockets) [20226-186967-02](#).

⁵² Petition Exhibit C4 (eDockets) [20254-217131-01](#).

IR 15 asked CenterPoint for the relevant information regarding the request for proposal and the bids submitted by the various vendors.⁵³ The Department reviewed that information and found it to be consistent with CPE's statements.

Given that the Company did competitively bid the contract, and the information summarized in Table 1 the Department concludes the proposed agreement is reasonable and should be approved.

A.2.4 NNG FDD Modification

CenterPoint requests approval for a \$2⁵⁴ annual rounding difference between the amount charged by the transmission company and the amount recovered from customers for NNG FDD storage.⁵⁵ IR 16 asked why the Company bothered to include this adjustment.⁵⁶ CenterPoint responded that the request was prompted by a one dollar rounding error.

The Department finds this adjustment to be reasonable and recommends approval.

B. DESIGN-DAY

B.1 Description/Summary

The design-day requirement is the maximum one-day estimated demand for natural gas for CenterPoint's Minnesota system for the 2025-2026 winter season for its firm sales customers. The demand entitlement level is the total supply of natural gas the Company's forecasts it could deliver over a 24-hour period from:

- existing contracts for delivery of physical natural gas via the interstate pipeline system.
- contracted or Company-owned physical storage, and.
- Company-owned peaking facilities.

Table 2 summarizes these estimates for the 2017 through 2025 heating seasons.

Historically CenterPoint's design-day estimate has increased on average by approximately 23,000 Dth/day/year or 1.62 percent annually since 2017. The primary driver for the increase in the design-day estimate appears to be customer growth. A new residential customer adds approximately 1.6 Dth/day to the Company's design-day estimate.

⁵³ See **Trade Secret** Attachment DOC-12 which contains a copy of IR 15.

⁵⁴ Petition at 3.

⁵⁵ Ibid.

⁵⁶ See Attachment DOC-13 which contains a copy of IR 16.

Table 2: Ann. Design-Day for Firm Customers 2017 through 2025 (Dth/day)^{57, 58, 59, 60}

Docket No.	Heating Season	Design Day (Dth/day)	Difference (Dth/day)	Ann. Percentage Change (%)
17-533	2017-2018	1,403,000	Not Applicable	Not Applicable
18-462	2018-2019	1,409,000	6,000	0.43%
19-278	2019-2020	1,435,000	26,000	1.85%
20-565	2020-2021	1,443,000	8,000	0.56%
21-523	2021-2022	1,453,000	10,000	0.69%
22-306	2022-2023	1,476,600	23,600	1.62%
23-221	2023-2024	1,500,450	23,850	1.62%
24-146	2024-2025	1,521,300	20,850	1.39%
25-72	2025-2026	1,544,100	22,800	1.50%

CenterPoint uses operational information experienced during extreme cold weather conditions to update the design-day estimate when possible. During the 2018-2019 heating season, CPE's system experienced the coldest weather conditions since the 1995-1996 heating season. The weather conditions experienced in late January 2019 were close to design-day conditions and provide CenterPoint (and the Department) with the ability to test whether the Company's design-day estimates are sufficient to ensure firm reliability on a Commission peak day of -25° Fahrenheit on average for 24 hours.

During those near design-day conditions, the Company experienced an actual peak day sendout per firm customer of approximately 1.4440 Dth/day.⁶¹ Using the regression coefficients from the Company's design-day models, the Department estimates firm peak day sendout on a Company peak day may have been approximately 1.4700 Dth/day. This result is lower than CenterPoint's estimated design-day use per customer in this design day model of 1.554 Dth/day.⁶² This comparison suggests CenterPoint's approach to calculating its design-day is likely sufficient to ensure reliability under design-day conditions.

⁵⁷ *In the Matter of CenterPoint Energy's Request for Change in Demand Units*, Petition, May 1, 2019, Docket No. G008/M-19-278 at Attachment B at 2, (eDockets) [20195-152563-02](#) (hereinafter 2019-2020 CD Filing). This citation identifies CPE's annual design day for 2018-2019 and 2019-2020, docket numbers G008/M-17-533, G008/M-18-462, and G008/M-19-278.

⁵⁸ *In the Matter of CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas' Petition for Approval to Implement Demand Cost Changes for the 2021-2022 Heating Season*, Petition, July 1, 2021, Docket No. G008/M-21-523 at Attachment B-3, at 1, (eDockets) [20217-175793-01](#). This citation identifies CPE's annual design day for 2020-2021 and 2021-2022, docket numbers G008/M-20-565, G008/M-21-102 and G008/M-21-523.

⁵⁹ *In the Matter of CenterPoint Energy Minnesota Gas' Request for Change in Demand Units*, Compliance, May 31, 2024, Docket No. G008/M-24-146 at **Trade Secret** Attachment B-3, at 1, (eDockets) [20244-204842-01](#) (hereinafter 2024-2025 CD filing). This citation identifies CPE's annual design day for 2022-2023, 2023-2024, and 2024-2025, docket numbers G008/M-22-306, G008/M-23-221 and G008/M-24-146.

⁶⁰ *In the Matter of CenterPoint Energy Minnesota Gas' Request for Change in Demand Units*, Compliance, May 29, 2025, Docket No. G008/M-25-72 at Attachment B-3 at 1, (eDockets) 20255-219344-02 (hereinafter "2025 Compliance").

⁶¹ 2025 Compliance, Exhibit B1.

⁶² Ibid.

The Company increases its design-day use per customer estimate by using not the average of 1.554 Dth/day, but rather the upper-bound design-day use per customer of 1.627 Dth/day.⁶³ This approach attempts to lessen the risk of under-estimating the Company's design day. It is also acceptable from the Department's perspective since actual peak day sendout during the 2018-2019 heating season was relatively close to the design-day point estimate.

CenterPoint's traditional design-day analysis is based on an Ordinary Least Squares (OLS) regression and daily heating season (November through March) data over the period from November 2019 to March 2025.

The Company performs a second regression for new firm sales customers and those customers expected to transition to firm sales service from transport service during the heating season.⁶⁴ The second regression is necessary due to the timing of transportation customers selecting whether they want to continue as transportation customers or return to firm service. This second regression is more speculative in nature, and the Company includes assumptions that likely provide it with a conservative estimate of the amount of firm capacity it will need to supply those returning transportation or new customers. The result of that regression for the 2025-2026 heating season after being adjusted to the 95% confidence interval was 32,179 Dth/day.⁶⁵

The Company assumes 50 percent of its transportation customers will return to firm service.⁶⁶ The 32,179 Dth/day estimate was then multiplied by the 50 percent assumption which resulted in a forecasted returning firm transportation customer to firm sales customer demand of 16,089 Dth/day.⁶⁷

The design-day estimates from these two regressions (1,528,000 and (16,090) are summed and rounded to the nearest one hundred Dth/day to derive the Company's total design-day estimate of 1,544,100.⁶⁸

The Department also reviewed CenterPoint's original design-day regression model. The Department concluded the signs on HDD and HDD squared are both appropriately positive and the scale of the coefficients appear to be reasonable.⁶⁹

CenterPoint's combined analyses resulted in a design-day estimate of 1,544,100 Dth/day as noted in Table 2. Table 3 lists the components of the Company's design-day estimate.

⁶³ Ibid.

⁶⁴ 2025 Compliance, Exhibit B6(a). This firm transport regression estimate is then multiplied by .5 using the assumption only one half of firm transportation customers will return to firm service. The result of that calculation is 16,079 Dth/day.

⁶⁵ 2025 Compliance at 5.

⁶⁶ Ibid at 29.

⁶⁷ Ibid.

⁶⁸ 2025 Compliance at 12.

⁶⁹ Ibid at 11.

Table 3 – CenterPoint 2025-2026 Design Day Estimate Detail (Dth/day)

Description	Estimate (Dth/Day)
Traditional Design Day (95 th Percentile)	1,544,100 ⁷⁰
Physical Reserve	36,000 ⁷¹
Total	1,557,300

The Company modified the analysis such that the ultimate design-day estimate was based on the upper bound of the regression output. The Company stated it made the upper bound modification to ensure a bias toward reliability since this adjustment places the design-day estimate at the top end of expected design-day conditions based on the regressions. CenterPoint has made this adjustment in several recent demand entitlement filings.

CenterPoint also performed an additional regression analysis that follows an approach the Department developed a few years ago as part of its review.⁷² The Department's approach is conservative and should bias the calculation in the favor of system reliability. Using this alternative approach, the additional regression factors decreased the projected design day by a small amount, from CenterPoint's 1,459,000 Dth/day figure to approximately 1,423,000 Dth/day as calculated using the Department's model.⁷³

The Company also used a third alternative regression model to estimate its design-day. That model's projected design day demand was 1,412,000 Dth/day⁷⁴

Since the point estimates of the three scenarios the Company modeled: 1) CenterPoint's proposed design-day; 2) CenterPoint's model based on the Department's approach, and 3) the Alternative approach are similar, the Department concludes CenterPoint's peak-day calculations are reasonable.

B.2 Design-Day Conclusions

The Department reviewed CenterPoint's protocol for determining its design day and noted the following steps:

- Develop regression analysis using operational data to estimate design day UPC using 6 years of data.
- Re-run UPC regression using a 95 percent confidence level.
- Develop a second regression analysis to determine the possible effect of current firm transportation customers returning to firm sales service.
- Assume the Company will be responsible for 50 percent of those firm transportation customers' design day demand for the upcoming winter heating season.

⁷⁰ Standard model result was 1,459,000 Dth/day– increased by taking estimate @ 95th percentile.

⁷¹ A percentage of CPE's peak shaving volumes rather than the total capacity level.

⁷² 2025 Compliance, Exhibit B7.

⁷³ Ibid.

⁷⁴ Ibid.

- Add the design day forecasts for current firm sales customers and potential returning firm transportation customers to determine the total design day.
- Run two additional regression analyses, one based on the Department's approach and a second based on a similar alternative approach as checks on the UPC regression.

The UPC regression is the foundation of CenterPoint's design day analysis. To determine how this per customer design day use for a firm sales customer has changed over the past ten years, the Department asked IR 3.⁷⁵

CenterPoint responded that its design day estimate per firm customer has remained constant over the past ten years. The value was 1.566 Dth/day in the Company's 2015-2016 demand entitlement filing. It gradually increased to 1.627 Dth/day in the 2025-2026 demand entitlement filing. The overall change is less than 4 percent over the past 10 years.

This Department attributes this estimate's stability to the Company's customer mix. CenterPoint has a high percentage of residential customers on firm service and that will likely be the case for the foreseeable future unless the costs of electric heat and water heating decrease significantly.⁷⁶

The stability of this UPC is a positive from the Department's perspective. The absence of volatility suggests the UPC regression includes the most relevant information regarding this estimate.

CenterPoint's decision to re-run the UPC regression at the 95 percent confidence interval lessens the risk of the UPC regression underestimating firm sales customers' actual design day usage. Hence, the Company makes one adjustment in the UPC regression to increase the probability it will be able to meet customer demand assuming design day conditions.

Regarding the returning firm transportation customer regression, the Department agrees that this is a risk for the Company and that it should be included in CPE's design day calculation. At the same time, the Department notes that the Company's assumption that demand representing half of its firm transportation customers' design day demand will return is a generous estimate.

To check the validity of that assumption, the Department asked in IR 6 for the actual percentage of transportation customers that had returned to firm service for the past five years. The average percentage was around 2 percent.⁷⁷ Hence, this second regression is designed to have a bias toward system reliability.

The Company's decision to run additional regression analyses also lessens the risk of an error by providing two on-going points of comparison for the UPC regression.

⁷⁵ See Attachment DOC-14. This attachment includes a copy of CPE's response to IR 3.

⁷⁶ 2024 Annual Gas Jurisdictional Report of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, Compliance, April 30, 2025, Docket No. 25-4, at G-2 (eDockets) [20254-218836-02](#). Customer numbers taken from Part 2 of the filing. Calculation as follows: (853,173 residential customers / 925,654 Total Number of Customers = 92%).

⁷⁷ Attachment DOC-15 includes a copy of IR 6.

Given CenterPoint's use of the 95 percent confidence level to estimate its firm UPC, its conservative approach for forecasting the current transportation customers who could return to firm sales service, its ongoing analysis using different regression protocols and its history of providing reliable service under extreme conditions, the Department concludes the Company's protocol for estimating its 2025-2026 winter season design day is reasonable and appropriate.

C. ELECTRIFICATION/DECARBONIZATION EFFORTS AND POTENTIAL DESIGN DAY EFFECTS

During the Commission's review of CenterPoint Energy of Minnesota's (CenterPoint, CPE) 2024-2025 demand entitlement filing, (docket no. G008/M-24-146) at a Commission Agenda meeting on June 17th, 2025 Commissioners asked CenterPoint Energy representatives and Department staff several questions related to the design day regression analyses and annual sales forecast used in that filing.⁷⁸ Commissioner's questions focused on CenterPoint Energy's efforts to incorporate the effects of electrification and/or decarbonization efforts in its design day analysis, specifically on the design day regression analyses and the annual sales forecast.

In response to Commissioner's questions and concerns, the Department developed information requests that requested specific information regarding those two topics. The Department issued those information requests to CenterPoint in this docket to collect information on this topic.⁷⁹ The Company responded to those each of those information requests on August 4, 2025.

Information request 20 asked if the Company had incorporated any process for estimating the effects of electric heat pumps on its 2025-2026 design day estimates for the residential customer class. The Company responded:

The design day calculation is a short-term forecast based on historical data. There is not data to support heat pumps impact [on] design day forecast modeling. CenterPoint has seen a decline in overall throughput for individual customer gas usage due to energy efficiency measures. However, the Company has not seen a decrease in design day customer throughput, nor a decrease in customers. In the 2024-2025 heating season CenterPoint set a record for single day throughput during an extreme weather event.⁸⁰

Information request 21 asked a similar question regarding heat pump use for firm commercial customers. Information request 22's focus was on non-heat pump electrification technologies for residential customers. Information request 23 asked CenterPoint about the effects of electrification technologies for firm commercial customers in its 2025-2026 design day calculations. Information request 24 focused on the impacts of electrification technologies on the firm industrial customer class in the Company's 2025-2026 design day analysis.

⁷⁸ [Webcast](#), PUC Agenda Meeting, at 2:58- 8:40 and, June 17, 2024

⁷⁹ The Department issued information requests 20 through 30, all of which were related to this question on July 24, 2025.

⁸⁰ Attachment DOC-16 includes the Company's response to IR 20.

The Company's response to information requests 21 through 24 mirrored its response to information request 20. In each response, CPE referred to a response to subpart 6 of IR 20 to which the Company's response was "non-applicable". The Department interprets those responses as recognition that CPE did not make any adjustments to its design day calculations or its analysis in the present docket.⁸¹

Information request 25 asked if the Company had incorporated any process for estimating the effects of electric heat pumps on its 2025-2026 forecasted monthly sales for the residential customer class. The Company responded:

CenterPoint has seen a decline in overall throughput for individual gas usage due to energy efficiency measures. However, the Company has not seen a decrease in sales due to increased customers and increased industrial throughput, especially generation.⁸²

Four additional sub-parts of this same IR asked about the Company's:

- Process for identifying which CenterPoint customers had installed electric heat pumps.
- A discussion of the other approaches CPE had considered for incorporating electric heat pump information into the residential sales forecast.
- Any adjustments the Company made to its 2025-2026 residential sales customer forecast to incorporate the impact of heat pumps.
- Analysis for making the changes discussed in the previous bullet point.

The Company responses to these four questions was "Not Applicable".

Information request 26 asked a similar question regarding non-heat pump use for residential customers on the sales forecast. Information request 27's focus was on electrification technologies for firm commercial customers on the sales forecast. Information request 28 asked CenterPoint about the effects of electrification technologies for firm industrial customers on its 2025-2026 sales forecast.

The Company's response to information requests 26 through 28 referred to CPE's response to information request 25. Hence, the Department concludes CenterPoint did not make any adjustments to its forecasted monthly sales related to these topics.⁸³

Information request 29 asked if CenterPoint had analyzed statistical approaches other than its existing regression models that would allow the Company to incorporate the effects of electrification technologies on its annual forecasted design day and forecasted monthly sales. The Company referred to its response to information request 25 once again.⁸⁴

⁸¹ Attachment DOC-17 includes the Company's responses to DOC IRs 21 through 24.

⁸² Attachment DOC-18 includes the Company's response to DOC information request 25.

⁸³ Attachment DOC-19 includes the Company's responses to DOC information requests 26 through 28.

⁸⁴ Attachment DOC-20 includes the Company's response to DOC information request 29.

Information request 30 asked about agreements with electric utilities to share interstate pipeline capacity during extreme weather events. Specifically, the Department asked if the Company had identified any electric utilities in Minnesota with whom it would be beneficial to share interstate pipeline capacity during extreme weather events and whether CenterPoint had initiated conversations with those electric utilities.

The Company's one word response was "no".⁸⁵

The Department notes that this review suggests this is a question that CenterPoint needs to address but that the effects of electrification on the Company's 2025-2026 design day calculation are likely minimal and could result in the Company's existing design day protocol over-estimating customer design day demand. The Department will monitor this issue on a going-forward basis and notes that these issues could be addressed in either the Commission's Gas Integrated Resource Plan proceedings (docket no. G008, G002, G011/CI-23-117), or the Commission's Investigation into the Future of Gas (docket no. G999/CI-21-565).

The Department recommends the Commission not decrease CenterPoint's 2025-2026 design day estimate due to the potential effects of electrification at this time.

D. PROPOSED RESERVE MARGIN

Reserve margin can be defined either the percentage by which the Company's Total Entitlement exceeds its design day or by its design day plus physical reserves. Table 4 provides this calculation for the 2019 through 2025 heating seasons using the Total Entitlement plus physical reserves approach.

Table 4: CenterPoint's Reserve Margin 2017 through 2025 (Percent)

Docket No.	Heating Season	Design Day (Dth/day)	Total Entitlement	Net Available Capacity	Reserve Margin
17-533	2017-2018	1,403,000	1,409,596	6,596	0.47%
18-462	2018-2019	1,409,000	1,409,596	596	0.04%
19-278	2019-2020	1,435,000	1,451,284	16,284	1.13%
20-565	2020-2021	1,443,000	1,452,284	9,284	0.64%
21-523	2021-2022	1,453,000	1,521,584	68,584	4.72%
22-306	2022-2023	1,476,600	1,520,284	43,684	2.96%
23-221	2023-2024	1,500,450	1,541,787	41,337	2.75%
24-146	2024-2025	1,521,300	1,569,730	48,430	3.18%
25-72	2025-2026	1,544,100	1,580,100	36,000	2.33%

The Department concludes the Company likely has sufficient capacity to ensure firm reliability on a peak day. As discussed above, if the actual peak day sendout per customer that occurred during the

⁸⁵ Attachment DOC-21 includes the Company's response to DOC information request 30.

2018-2019 heating season is representative of conditions that may occur during a future -25°F for 24-hours peak day, then the effective design-day figure may be lower than estimated, resulting in a greater effective reserve margin.

E. DEMAND ENTITLEMENT COST RECOVERY PROPOSAL

CenterPoint contracts with several of the interstate pipelines that serve Minnesota for capacity on those pipelines, CPE uses that pipeline capacity to transport the natural gas it purchases to its customers. Those pipelines (NNG and Viking) charge the Company for those transportation services via demand rates. Those demand costs (the demand rates multiplied by some quantity of demand units) are recovered through CenterPoint's PGA.

CenterPoint also recovers a second pool of costs it labels "supply demand" costs via the demand expense category. These costs are related to its seasonal swing reservation, third-party storage costs and propane costs for its Company-owned peak shaving units.

CenterPoint normally requests these demand-related cost changes in a filing dated on or before July 1st and a supplemental filing dated on or before November 1st.

The demand entitlement amounts listed in Department Exhibit 1 represent the demand entitlements for which the Company's firm customers would pay. In Exhibit B4 to its Supplemental Filing, the Company compared its March 2025 PGA to its expected April 2025 PGA with the Company's proposed changes as a means of calculating the bill impact. According to the Company, the impact of the additional costs included in the April 2025 PGA CPE's demand entitlement proposal would have the following impacts.

Table 5: April 2025 Rate Impacts⁸⁶

Rate Schedule	Annual Usage (Dth/yr)	Ann. Demand Cost Change (\$)	Percentage Change
Residential	89	\$5.11	3.97%
Comm/Ind Firm A	81	\$4.65	3.97%
Comm/Ind Firm B	730	\$41.90	3.97%
Comm/Ind Firm C	12,076	\$693.16	3.97%
Large General Service	64,600	\$20,950.93	22.84%

The Department re-create CPE's Exhibit B4 in Department Exhibit 2 and found no significant differences in the estimates. The Department notes that CenterPoint's demand cost will be increased by \$5.4 million, and the Company forecasts another increase in its demand cost of \$8.6 million on an

⁸⁶ The Department's calculations in Department Exhibit 2 vary slightly from CPE's in B4. The Department assumes these are rounding errors.

annual basis. The Department assumes that CPE's November 1 compliance filing will summarize this information and provide complete picture of the increase in demand costs resulting from the changes to its demand entitlement in preparation for the 2025-2026 heating season.

In addition, the Department also notes the Commission approve a settlement in CenterPoint's 2023 general rate case, docket no. G008/GR-23-173 in early September 2025. The Department requests that CenterPoint include a discussion in its reply comments of its process for incorporating these new cost of gas components into its contract demand entitlement analysis.

F. COMPLIANCE REGARDING REPORTING REQUIREMENTS FOR DEMAND ENTITLEMENT-RELATED ORDERS

F.1 Winter Storm Uri Investigation

The Commission's February 17, 2023, Order in Docket No. G008/M-21-138⁸⁷ required CenterPoint, in future contract demand entitlement filings, to discuss how changes to their pipeline capacity affect their supply diversity. The Order further directed that, if pipeline capacity comes at a cost premium but increases supply diversity, the Company should provide a meaningful cost/benefit analysis of the tradeoff, including a comparison with the least-cost capacity option.

The Department discussed this reporting requirement at length in its comments and supplemental comments in docket no. 24-146.⁸⁸ CenterPoint also provided additional information in its reply comments in that docket. In those reply comments, CenterPoint noted that the original Tenaska/East Cheyenne agreement was an example of the Company's on-going effort to balance cost and supply diversity and that the market of additional physical storage was very thin, which made the development of a cost/benefit analysis difficult.⁸⁹ The Department agreed with CenterPoint's position and concluded that the Company had complied with the reporting requirement.⁹⁰

The Company's 2025-2026 filing includes two other examples of agreements similar in structure to the original Tenaska/East Cheyenne agreement, a second agreement with Tenaska/East Cheyenne and a new agreement with ANR, both for physical storage and transportation.

CenterPoint did include a discussion of this reporting requirement in its Petition.⁹¹ CPE stated in part:

Given the difficulty in procuring firm storage contracts and scarcity of pipeline storage availability, it is important to recognize accomplishments of CenterPoint Energy's efforts and goals to increase price stabilization

⁸⁷ *In the Matter of CenterPoint Energy Minnesota for Approval of a Recovery Process for Cost Impacts Due to February Extreme Gas Market Conditions*, PUC Order, February 17, 2023, Docket No. G008/M-21-135 at Order Point 12 (eDockets) [20232-193249-01](#).

⁸⁸ 2024-2025 CD Filing, Department, Comments, July 31, 2024 (eDockets) [20247-209152-02](#).

⁸⁹ 2024-2025 CD Filing, CenterPoint, reply comments, August 16, 2024 (eDockets) [20248-209577-01](#).

⁹⁰ 2024-2025 CD Filing, Department, Response to Reply Comments, November 15, 2024 (eDockets) [202411-212010-02](#).

⁹¹ Petition at 4.

during the peak winter season when pricing can be extremely volatile. Due to added firm storage service contracts prior to November 2024, the Company increased overall firm storage service contracts in its portfolio by 10.2 Bcf or 33%, with contracts extending well out into the future secured by multiple year terms.

The Department's review of the 2024 annual compliance filings in the Winter Storm Uri related dockets did note the benefits of physical storage relative to mitigating the effects of short-term price spikes. At the same time, the Department recognizes that the cost of the physical storage recently acquired is higher than it has been historically, and that this added physical storage does have a negative impact on affordability.

The Department recommends the Commission accept CenterPoint's compliance with the reporting requirement included in docket no. 21-138.

F.2 AMA Marketer Storage Docket (Docket No. G008/M-21-102)

The Commission's Order in this docket required CenterPoint to report in May of each year whether it or its counterparty called upon the firm pipeline capacity provided by this agreement.⁹² The Company filed this compliance filing in on May 1, 2025.⁹³

In that compliance filing, the Company stated that neither it nor its counterparty to that agreement called upon the firm capacity provided under the agreement during the 2024-2025 winter season. CenterPoint also stated that the agreement had demonstrated value to ratepayers in prior years and that the revenue sharing the agreement provides has offset some of the costs of the agreement.

The Department agrees with CenterPoint's rationale and believes that the Company has complied with the Commission's reporting requirements included in Docket No. G008/M-21-102.

G. DISTRIBUTION PLANNING

In recent demand entitlement filings, the Department has requested information from CenterPoint and conducted analysis regarding the Company's distribution planning and the integration of electric generation onto its system. In the Company's 2019 demand entitlement filing, the Department concluded the Company's current planning approach is reasonable and does not represent a negative impact to ratepayers or reliability. The Department finds that the Company's current planning approach remains reasonable and does not pose a negative impact on ratepayers or system reliability. CenterPoint continues to report that no significant changes have been made to its distribution planning assumptions since its previous demand entitlement filing⁹⁴, and the Company has not experienced

⁹² *In the Matter of CenterPoint Energy Resources d/b/a CenterPoint Energy Minnesota Gas' Petition for Commission Approval to Implement Demand Cost Changes Effective February 1, 2021*, PUC Order, March 4, 2024, Docket No. G008/M-21-102 at Order Points 2 through 4 (eDockets) [20243-204049-01](#) (hereinafter "2021 CD Entitlement Order").

⁹³ 2021 CD Entitlement Order, Compliance, May 1, 2025 (eDockets) [20255-218455-02](#).

⁹⁴ Attachment DOC-22 includes the Company's response to DOC Informational Request No. 18.

weather-related reliability or deliverability issues on its distribution system like those reported by other natural gas local distribution companies. Based on this information, the Department concludes that CenterPoint's distribution planning assumptions continue to be acceptable for the 2025–2026 period.

H. REQUEST FOR RULE VARIANCE TO MINNESOTA R. 7825.2910, SUBP. 2

Minnesota R. 7825.2910, Subp. 2D requires a utility to provide the following information in a filing requesting a change in demand:

1. A description of the factors contributing to the need for changing demand.
2. The utility's design-day demand by customer class and the change in design-day demand, if any, necessitating the demand revision.
3. A summary of the levels of winter versus summer usage for all customers classes; and
4. A description of design-day gas supply from all sources under the new level, allocation, or form of demand.

CenterPoint did not provide an updated design-day demand by customer class, or the change in design-day demand for the 2025–2026 heating season, in its April 1, 2025, filing. Instead, the Company submitted the design-day demand for the 2024–2025 heating season. CenterPoint explained that the 2025–2026 design-day analysis had not yet been completed by April 1, 2025, and is therefore requesting a variance to Minnesota R. 7825.2910, Subp. 2D due to the absence of an updated design-day estimate for the 2025–2026 heating season.

The Department notes that on May 29, 2025, the Company provided a supplemental filing that included the 2025-2026 design-day analysis. Therefore, this supplemental filing supersedes the Company's 2024-2025 Design Day analysis and renders the Company's request for a variance to Minnesota R. 7825.2910, Subp. 2D, moot.

Accordingly, the Department recommends the Commission take no action on the Company's request for variance to Minnesota R. 7825.2910 Subpart 2.

IV. DEPARTMENT RECOMMENDATIONS

Based on analysis of CPE's 2025-2026 heating season demand entitlement petition and the information in the record, the Department has prepared recommendations, which are provided below. The recommendations correspond to the subheadings of Section III above.

A. PROPOSED OVERALL DEMAND ENTITLEMENT LEVEL

- Firm Pipeline Capacity Changes
 - TFX Northern Lights -The Department requests that, in its reply comments, the Company explain the basis for the discrepancy between the conditionally approved 2025 NNG CIAC cost of \$13.3 million and the **[TRADE SECRET DATA HAS BEEN EXCISED]** cost for the 2025 Northern Lights project identified in the Company's response to IR 8.

- Carlton South - The Department recommends that the Commission approve the NNG-Carlton South Agreement.
- Trailblazer - The Department requests that in its reply comments, the Company explain the rationale for initiating a **[TRADE SECRET DATA HAS BEEN EXCISED]**.
- Tenaska/CPE AMA - The Department requests that in its reply comments, the Company explain provide additional detail and examples of two defined terms in the AMA with Tenaska and provide an explanation of comments included in IR 17.
- NNG 2025 FERC Rate Case - The Department requests that in its reply comments, the Company explain provide additional detail regarding the status of NNG's 2025 FERC Rate Case.
- Viking Firm Capacity Renewal – The Department will provide a recommendation regarding the Viking Firm Capacity Contract Renewal.
- Non-Capacity Changes
 - ANR Transaction – The Department has no specific request for additional information for CPE to include in its reply comments regarding the ANR transaction. The Department will continue its analysis of the various components of ANR and NBPL's tariffs and CenterPoint's rationale for structuring the storage partnership in this manner. The Department will provide a recommendation on this transaction in its supplemental comments.
 - Tenaska/Cheyenne Transaction - The Department recommends that the Commission approve the proposed Tenaska/Cheyenne Agreement.
 - New Marketer Storage Agreement - The Department recommends that the Commission approve the proposed Tenaska/Cheyenne Agreement.
 - NNG FDD Correction - The Department recommends the Commission approve this minor correction.
- B. *DESIGN-DAY REQUIREMENT* - The Department recommends the Commission accept CenterPoint's proposed 2025-2026 heating season design day analysis and conclusions as filed.
- C. *ELECTRIFICATION/DECARBONIZATION EFFECTS ON DESIGN DAY* - The Department recommends the Commission not adjust CenterPoint's proposed 2025-2026 heating season design day analysis for the effects of electrification/decarbonization at this time.
- D. *PROPOSED RESERVE MARGIN* – The Department recommends the Commission accept Centerpoint's proposed 2025-2026 reserve margin.
- E. *DEMAND COST RECOVERY PROPOSAL* – The Department requests additional information from Centerpoint in its reply comments.
- F. *COMPLIANCE REPORTING* - The Department recommends the Commission find CenterPoint has met the annual reporting requirements included in the 21-102 and 21-138 dockets.

- G. *DISTRIBUTION PLANNING* - The Department concludes CenterPoint's distribution planning assumptions continue to be acceptable for the 2025-2026 period.
- H. *REQUEST FOR RULE VARIANCE TO MINNESOTA R. 7825.2910, SUBP. 2* - The Department recommends that the Commission take no action on the Company's request for a variance to Minn. R. 7825.2910, subp. 2, because the Company's May 29, 2025, supplemental filing supersedes the 2024–2025 Design Day analysis and renders the request moot.

Attachments

Title	Topic/Description	IR # or Source	Docket No if different from 25-72
DOC 1	NNG TFX Throughput Agreement	8	NA
DOC 2	2025 Northern Lights CIAC Estimate 24-146 Docket	3	MPUC 24-146
DOC 3	Question on Carlton South	7	NA
DOC 4	Trailblazer TTS Backhaul Contract	9	NA
DOC 5	Tenaska Viking Contract	17	NA
DOC 6	NNG FERC Rate Case Customer Presentation	NNG Website	FERC RP22-1033
DOC 7	Viking FPC Renewal	10	NA
DOC 8	ANR Agreement	11	NA
DOC 9	ANR Agreement Continued	12	NA
DOC 10	ANR Agreement Continued	13	NA
DOC 11	Tenaska and East Cheyenne	14	NA
DOC 12	Marketer Storage Contract - RFP	15	NA
DOC 13	FDD Rounding Error	16	NA
DOC 14	Design Day Model	3	NA
DOC 15	Design Day - Firm Transport Migration	6	NA
DOC 16	Electric Heat Pumps - DD effect/Res Class	20	NA
DOC 17	Electric Heat Pumps - DD effect/Oth. Firm Classes	21	NA
DOC 17	Non-heat Pump Tech - DD effect/res. Class	22	NA
DOC 17	Electrification tech. effects on Firm Commercial	23	NA
DOC 17	Electrification tech. effects on Firm Industrial - DD effects	24	NA
DOC 18	Electric Heat Pumps - Sales Forecast Effect/Res Class	25	NA
DOC 19	Electric Heat Pumps - Sales Forecast/Oth. Firm Classes	26	NA
DOC 19	Non-heat Pump Tech - Sales Forecast effect/Comm. Class	27	NA
DOC 19	Electrification tech. effects sales effect on Firm Industrial	28	NA
DOC 20	Electrification Technologies - Review of Other Statistical Approaches	29	NA
DOC 21	Sharing Pipeline Capacity during extreme weather	30	NA
DOC 22	Distribution Planning Assumptions	18	NA

Exhibits

Title	Topic/Description
DOC Ex. 1	CenterPoint Demand Entitlement Analysis
DOC Ex. 2	Purchased Gas Adjustment Analysis

**State of Minnesota
Minnesota Department of Commerce**

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 6/12/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 6/23/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 008 - P	<p>Topic: Pipeline - NNG TFX Throughput Agreement Reference(s): Petition, filed April 1, 2025 , page 2 and Exhibit B3</p> <p>Request:</p> <ul style="list-style-type: none">a. Please provide a narrative that describes the history of this agreement.b. Please provide the docket numbers for the proceedings that encompass this agreement.c. What is the remaining term of this agreement?d. Please provide a narrative that explains the biennial Northern Lights expansion effort process.e. Has NNG completed the capacity expansion projects needed to provide this additional 15,000 Dth/day in winter season MDQ in the Discount Area Expansion?f. Does CenterPoint have any negative financial exposure under this agreement if NNG's actual construction costs exceed the cost estimate it used to develop its capacity expansion proposal?g. Does CenterPoint have any positive financial exposure under this agreement if NNG's actual construction costs are less than those included the cost estimate it used to develop its capacity expansion proposal?h. Provide an electronic copy of the agreement and the amendments.i. What was the Contribution-in-Aid to Construction (CIAC) that CenterPoint and NNG agreed to for the 15,000 Dth/day of winter season capacity and that was added to CenterPoint's rate base in its 2023 rate case? <p>Response:</p>

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

- a. Contract **[Trade Secret Information Begins.....Trade Secret Information Ends]** with NNG negotiated back in 2017 which encompasses discounted rate structures and growth expansion rights.
- b. Contract **[Trade Secret Information Begins... ..Trade Secret Information Ends]** is/was a component of each demand entitlement filing since inception of November 1, 2018. (18-462, 19-278, 20-565, 21-523, 22-306, 23-221, 24-146, 25-72, 23-173)
- c. November 1, 2018 to October 31, 2034
- d. Every two years (odd numbered years), NNG issues an open season for Northern Lights expansion growth election rights. As a part of CenterPoint's contract, the Company may elect to participate in these open seasons to accommodate future customer needs. After completing an internal prudency review by CenterPoint stakeholders, the Company would submit a bid by the appropriate due date to NNG. Cases are presented to the Company and evaluated back and forth between both parties until the most desirable outcome is achieved.
- e. There has been no notification received from NNG of a delay in anticipated start date of November 1, 2025.
- f. If there is any financial exposure due (positive or negative) once all construction is completed, NNG issues a settlement or true-up invoice to CenterPoint with an explanation of said costs.
- g. Please see reponse to (f).
- h. See attachments DOC 008_134029-1 to DOC 008_134029-13. *Attachments not included in Public response as it contains trade secret information.*
- i. **[Trade Secret Information Begins... ..Trade Secret Information Ends]**

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

**State of Minnesota
Minnesota Department of Commerce**

Utility Information Request

Docket Number: G008/M-24-146 - Request for Change in
Demand Units

Date of Request: 5/2/2024

Requested From: CenterPoint Energy Minnesota Gas

Response Due: 5/17/2024

Analyst Requesting Information: Ashley Uphus/John Kundert

Type of Inquiry: Other

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 003 P	<p>Each response must be submitted as a text searchable PDF, unless otherwise directed. Please include the docket number, request number, and respondent name and title on the answers. If your response contains Trade Secret data, please include a public copy.</p> <p>Topic: Future Demand Changes Reference(s): Filing page 4</p> <p>a. Please provide support for the seven “cases” the Company evaluated for NNG’s 2025 Open Season in June 2023.</p> <p>Response:</p> <p>Contains Trade Secret Information: CenterPoint Energy Minnesota Gas has designated information in this document as trade secret. 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 Minnesota Gas, the affected organization; (2) CenterPoint Energy Minnesota Gas 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.</p> <p>a. See attachment <i>DOC 003 NP_NL 2025 CERC Cases</i>. Please note, there were only "six" cases evaluated.</p>

Response By: Donald Wynia

Title: Senior Analyst, Regulatory & Rates

Department: Regulatory Portfolio Management MN

Telephone: 612-321-4677

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
Department: Regulatory Portfolio Management MN
Telephone: 612-321-4677

**State of Minnesota
Minnesota Department of Commerce**

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 6/12/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 6/23/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 007 - P	<p>Topic: Pipeline - NNG Entitlement - Carlton South Generally Available capacity</p> <p>Reference(s): Petition, filed April 1 , 2025 , page 2 and Attachment C</p> <p>Request:</p> <p>The Company states:</p> <p>CenterPoint Energy elected to participate in an open season on NNG for Generally Available capacity at the Carlton South receipt point for 300 Dth/day entitlement. . . . The demand rate for this capacity will be at NNG's max tariff rate with no associated construction costs. Due to the continuous increase in construction costs associated with pipeline expansion, it is imperative the Company participate in each Generally Available open season to add additional entitlement to service its customer growth needs where there are not added costs besides the applicable demand rate.</p> <p>a. Provide a copy of CenterPoint's bid for the 300 Dth/day.</p> <p>b. Provide a copy of the communication from NNG regarding CenterPoint receiving this additional 60 dekatherms/day of capacity.</p> <p>c. Has NNG ever allocated Generally Available capacity in the past?</p> <p>d. Please provide analytical support for the underlined statement.</p> <p>Response:</p> <p>a. See attachment DOC 007_CNP Bid. This attachment is trade secret in its entirety.</p> <p>b. See attachment DOC 007_CNP Award. This attachment is trade secret in its entirety.</p>

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

- c. Yes. NNG gives all Shippers equal opportunity to participate in open seasons. NNG evaluates all bids received and must allocate all equivalent bids, in compliance with the open season, accordingly per the pipeline's tariff and FERC regulations.
- d. When there is an open season declared for Generally Available capacity there are no associated construction, expansion or build-out costs associated with the awarded entitlement. The Shipper receives the awarded capacity absent this and is only held accountable for the demand reservation charges for the duration of the contract. For reasoning as to why CenterPoint should always be active in these open seasons when it suits supply portfolio needs, please refer to examples of construction costs associated with Northern Lights open seasons.

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

**State of Minnesota
Minnesota Department of Commerce**

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 6/12/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 6/23/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 009 - P	<p>Topic: Pipeline Rate Increase - Trailblazer TTS Backhaul Contract Reference(s): Amended Petition, filed April 11, 2025 , Exhibit A, page 2</p> <p>Request: Please provide support for the rate increase effective April 1, 2025 identified on page 2 of Exhibit A.</p> <p>Response: [Trade Secret Information Begins... ...Trade Secret Information Ends] executed between CenterPoint and Trailblazer Pipeline Company ("Trailblazer") provides backhaul transportation from Natural Gas Pipeline of America ("NGPL") interconnect to NNG and is subject to rate schedule FTS and a negotiated rate, per the pipeline's tariff. This transportation capacity is critical because it allows CenterPoint to withdraw its full withdrawal rights out of NGPL storage and transport to NNG. Because this capacity is considered backhaul, Trailblazer provides a negotiated rate to the company versus a max tariff rate. Per the Rollover Terms and Conditions in the Agreement:</p> <p>"Shipper shall have the unilateral one-time right to roll over this Transportation Agreement effective upon its expiration, at the then-existing MDQ, in accordance with Section 18.3 of the General Terms and Conditions of the Tariff and pursuant to the terms and conditions set forth below. Shipper can exercise its contractual rollover right at any time during the term of this Transportation Agreement, but not later than six months prior to the expiration of same, by providing written notice of such exercise to Trailblazer. Any agreement amended pursuant to this contractual rollover right</p>

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

| is expressly subject to agreement between Transporter and Shipper
| as to the applicable rate(s) and term to be applied to the rollover."

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

Page 2 of 2

State of Minnesota
Minnesota Department of Commerce

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 6/12/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 6/23/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 017 - P	<p>Topic: Capacity Release - Tenaska Viking Contract Reference(s): Petition, filed April 1, 2025 , page 4</p> <p>Request:</p> <p>a. Did CenterPoint issue a Request for Proposal (RFP) for optimizing the economic value of its capacity release volumes on Viking?</p> <p>b. If so, provide a copy of the RFP and provide any, and all, bid information submitted by Tenaska and the other bidders who were not successful.</p> <p>c. If not, explain why the Company didn't recognize this economic opportunity and describe in detail the process whereby Tenaska and CenterPoint initiated discussions regarding this contract.</p> <p>d. Please provide a detailed explanation of the reasons why CenterPoint accepted Tenaska's proposal.</p> <p>e. Please provide copies of all communications between CenterPoint and Tenaska relevant to this contract.</p> <p>f. What has the Company's process been for utilizing its capacity release volumes on Viking?</p> <p>For each of the past five summer seasons, please provide the total amount of capacity release revenue the Company has received related to capacity release volumes on the Viking pipeline. Include the volume released (in Dth or appropriate units), the associated revenue, and any relevant contractual or market context that affected these revenues.</p> <p>Response:</p> <p>a. No</p>

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

b. N/A

c. CenterPoint did in fact recognize the potential economic and optimization benefits associated with entering into an asset management agreement for its Viking capacity when Tenaska presented the creative opportunity to the Company, and demonstrated the additional cost savings that could be realized for its customers over the traditional capacity release with a 60/40 revenue sharing component. No other supplier has taken this initiative in the past (with Viking capacity) to find a solution to CenterPoint's supply procurement goal of cost savings innovation for its customers. Considering this was a short term deal, Summer 2025 months only, the Company was comfortable not pursuing a RFP.

d. Along with what was mentioned above in (c), Tenaska's proposal included a Company Guaranteed Optimization Value **[Trade Secret Information Begins... ...Trade Secret Information Ends]** Considering we are less than half way through Summer 2025, CenterPoint's opinion is this transaction will produce more cost savings for its customers than ever realized before from the traditional capacity release with no revenue sharing component.

The structure of the agreement allows Tenaska to take advantage of widening margins and is meant to be an alternative to traditional capacity release in order to provide CenterPoint more upside of market spreads on Viking as compared to the value received in the past. CenterPoint still has full utilization and first rights of the capacity so no disruption will occur if demand needs arise for any reason.

e. See attachments DOC 016_Viking AMA Agreement and DOC 016_Viking AMA TC. Attachment not provided in Public version as it contains trade secret information.

f. CenterPoint would review internally each year what Viking requirements will be needed or could be utilized operationally over the summer months. Once this is determined the Company would solicit bids for a recallable capacity release for the volume identified and award accordingly.



Section 4 Rate Case Filing Northern Natural Gas Customer Call

June 16, 2025





Why is Northern Filing a Rate Case?

- Northern Natural Gas is filing this rate case due to the significant capital being invested in its pipeline system to comply with pipeline safety requirements and maintain reliability of its service to customers
- Northern's last section 4 rate case was filed July 1, 2022, in Docket No. RP22-1033, and was settled in 2023, with a Commission order approving the settlement September 7, 2023
- Northern is in the midst of a generational capital investment program to update and modernize its pipeline system
 - Northern's first pipeline began serving customers in 1930, with significant expansions in the 1940s through 1960s
 - The A-line, which is the original pipeline installed, is in the process of being abandoned (628 miles abandoned through 2025, with another 106 miles to be abandoned in 2027)
 - Other vintage pipeline and obsolete compressor units that are no longer serviced by the original manufacturer are being replaced



Asset Modernization Activity

- Northern began discussions as early as 2014 with its customers to advise of the need to modernize its pipeline system; however, Northern was unsuccessful in achieving a consensus for an asset modernization tracker
- By the end of 2034, Northern anticipates having invested \$4.5 billion in asset modernization since the program began. Northern will have invested \$2 billion by the end of 2025
- More recently, since the last rate case, and estimated through the end of 2025, Northern will have invested \$1.6 billion in asset modernization and maintenance capital that is not recovered in current rates, driving an approximately \$1.1 billion increase to rate base (27% increase from the last case)
- Northern has discussed potential interest in a pre-filed settlement with several customers to determine whether a pre-filed settlement with customers could be achieved. Feedback from these discussions, however, was not positive
- Due to continued asset modernization investment, another rate case is likely to be required within the next few years unless depreciation rates are increased to offset the investment



Section 4 Filing – Abbreviated Timeline

- Northern will file the rate case on July 1, 2025





Rate Base as of December 31, 2025

- Due primarily to asset modernization and other maintenance capital investment, Northern's rate base will have increased by \$1.1 billion since Northern's last rate case
- Northern's capital expenditures have significantly outpaced annual depreciation expense

Rate Base Items	RP25- Dec-25	Dec-22
[a]	[b]	[c]
(In millions)		
Gross Plant In Service	\$ 8,115.8	\$ 6,629.6
Accumulated Depreciation, Depletion & Amortization	<u>(1,849.9)</u>	<u>(1,541.9)</u>
Net Plant In Service	6,265.9	5,087.7
Regulatory Assets and Liabilities	(286.8)	(324.7)
Materials, Supplies and Prepayments	126.6	73.8
Accumulated Deferred Taxes	<u>(865.2)</u>	<u>(713.6)</u>
Total Rate Base	\$ 5,240.5	\$ 4,123.2
	Increase	\$ 1,117.3
	Percentage Change	27%

Increase in Cost of Service Driven Largely by Maintenance and Asset Modernization Capital



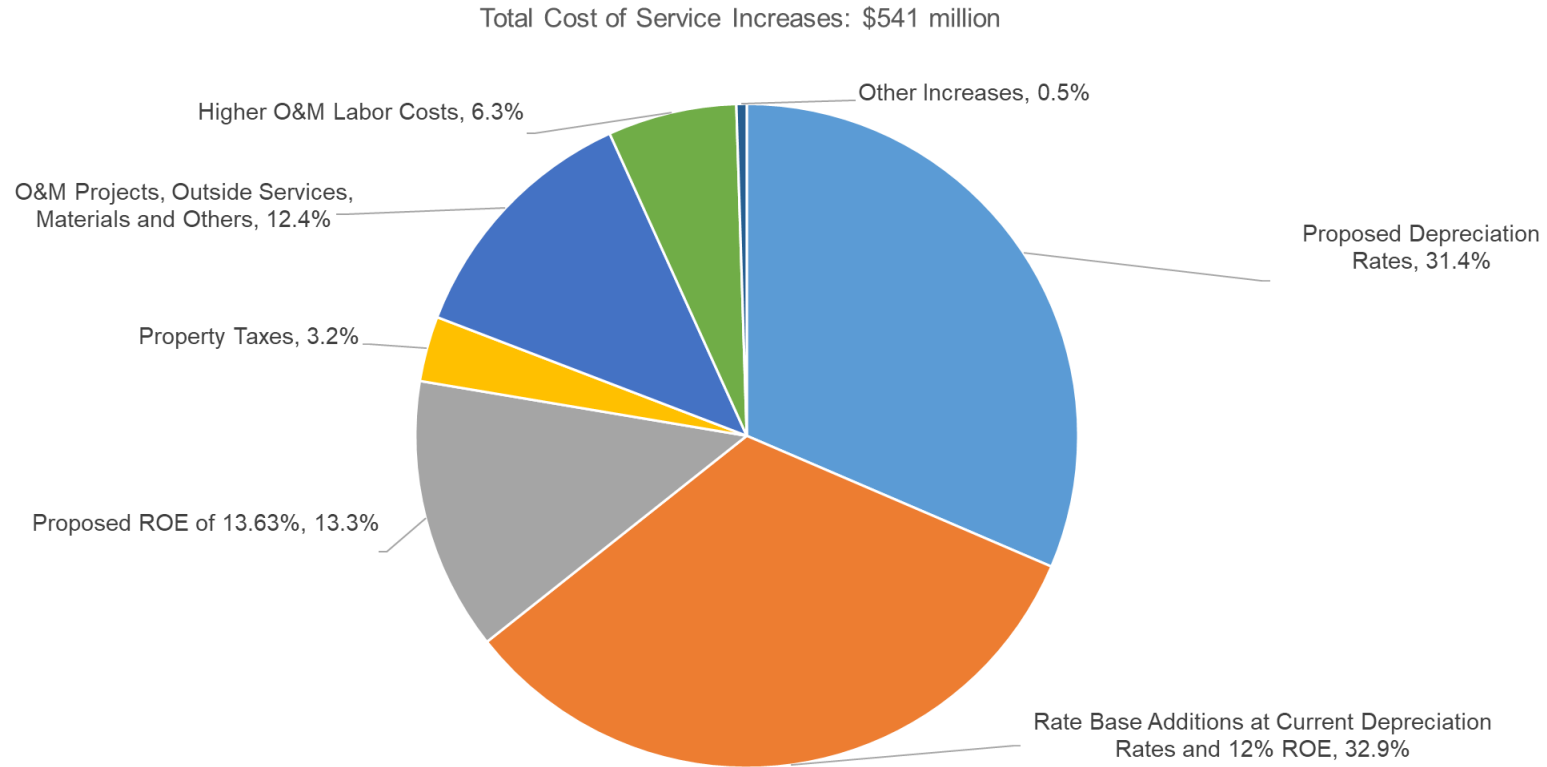
Highlights:

- The increased rate base due to increased capital investment accounts for \$195 million of the increase in cost of service
 - Asset modernization and other maintenance capital investment is estimated to account for \$176 million of the increase. Proposed depreciation rate increase accounts for \$170 million
- Proposed return on equity increase from 12% to 13.63% equals \$72 million

Particulars	RP25-COS Filing	2022 COS 45 Day Filing	Change	
[a] (In millions)	[b]	[c]	[d]	
O&M/A&G Expenses	\$ 430.9	\$ 329.8	\$ 101.0	\$46m O&M projects, \$34m O&M labor, \$21m Others (outside services, materials, others)
Depreciation and Negative Salvage Expense	407.8	192.0	215.9	\$170m increased depreciation and negative salvage rates \$46m plant additions
After-Tax Return	534.9	378.9	156.0	
Income Taxes	<u>156.9</u>	<u>108.4</u>	<u>48.5</u>	
Return and Taxes	691.8	487.2	204.5	\$132m increased rate base \$72m proposed 13.63% ROE
Property Taxes	91.0	73.8	17.2	Plant additions
Other	(7.2)	(9.6)	2.4	
Total Cost of Service	<u>\$ 1,614.3</u>	<u>\$ 1,073.3</u>	<u>\$ 541.0</u>	



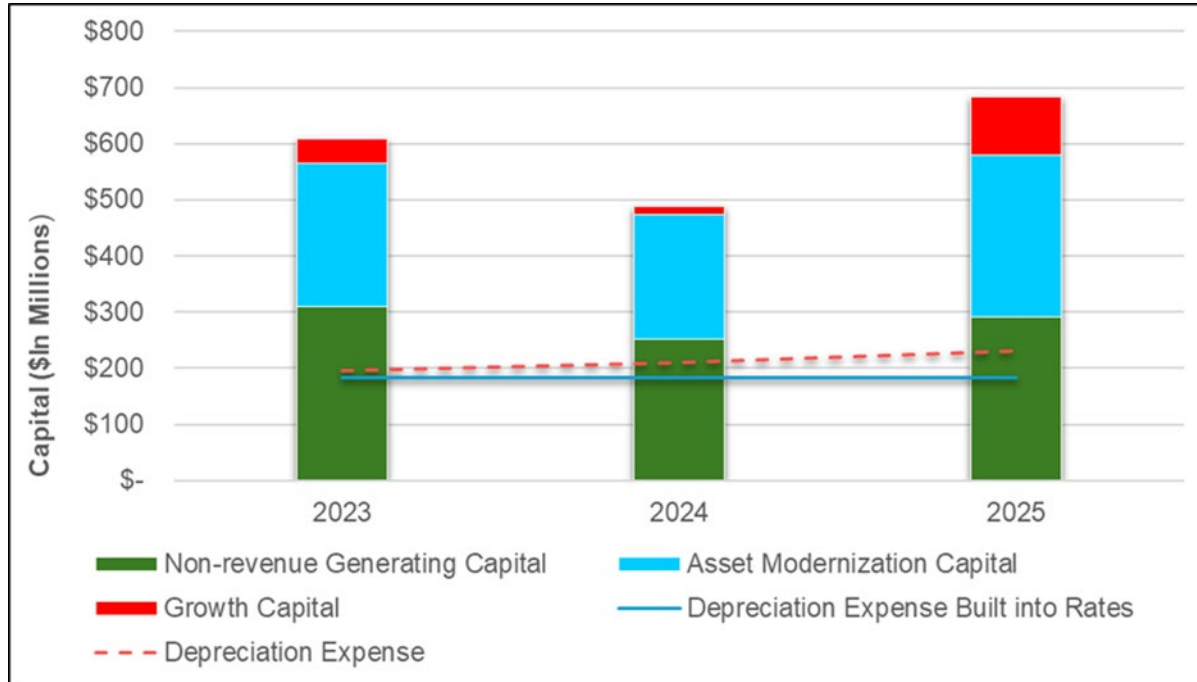
Cost of Service Increases



Maintenance and Asset Modernization Investments vs Depreciation



- Annual asset modernization and other maintenance capital investments continue to outpace annual depreciation expense built into existing rates



Capitalization and Return as of December 31, 2025



- Northern's capital structure is consistent with that authorized by FERC
 - Equity percentage is lower than recent pipeline filings that are generally at 65% or higher
- Northern's cost of capital is lower than the industry average, and the proposed ROE of 13.63% is lower than recently filed returns that are in excess of 14.0%
- Northern's A2/A- credit ratings are the highest among interstate natural gas pipelines
- Northern's overall cost of its long-term debt is 4.51%

Capitalization Items	Capitalization at Dec 31, 2025	Capitalization Percentage	Rate	Rate of Return
[a]	[b] (In millions)	[c]	[d]	[e]
Debt Capital	\$ 2,100.0	37.56%	4.51%	1.70%
Common Stock Equity	<u>\$ 3,491.3</u>	<u>62.44%</u>	13.63%	<u>8.51%</u>
Total Capitalization	<u>\$ 5,591.3</u>	<u>100.00%</u>		<u>10.21%</u>
Total Rate Base				\$ 5,240.5
After-Tax Return Allowance				
Interest Expense				\$ 88.9
Equity Return				<u>446.0</u>
Total After-Tax Return				<u>\$ 534.9</u>

Book Depreciation and Negative Salvage Rates



- Northern is filing increased depreciation and negative salvage rates
 - An increase to depreciation rates to reflect an economic life of 28 years versus a current depreciable life of 40 years for transmission assets
 - An increase to existing negative salvage rates for transmission facilities
 - New negative salvage rates for underground and LNG storage facilities

Plant Category 1/	2023 Settlement		RP25-	
	Dep Rates	NS Rates	Dep Rates	NS Rates
[a]	[b]	[c]	[d]	[e]
Underground Storage	1.25%	0.00%	3.27%	0.75%
LNG Storage	2.95%	0.00%	2.81%	0.83%
Transmission	2.49%	0.10%	3.66%	1.16%
1/ Includes plant categories for which depreciation rate changes are being proposed				

Base Case and Prospective Pro Forma Case Changes to Rate Schedules



- For the Base Case
 - Rates designed consistent with principles underlying the 2020 and 2023 Settlement rates
- For the Prospective Pro Forma Case
 - Northern is proposing a change in rate design to system-wide reservation rates
 - Northern is proposing to implement two postage stamp commodity rates for the Field Area; one for transportation within the current Mileage Indicator Districts 1-7 (Section 1) and a second for transportation within the current Mileage Indicator Districts 8-16B (Section 2)
 - Northern is proposing to discontinue Small Customer benefits that are not available to other shippers, including GS-T service

Base Case: Rates for Transmission and Storage Services



Transmission Rates	Transmission Rates					
	Winter			Summer		
	Current Rates	Proposed Rates	Percentage Change	Current Rates	Proposed Rates	Percentage Change
Reservation Rates						
Market Area						
TF12 Base	\$ 17.417	\$ 32.225	85%	\$ 9.676	\$ 17.903	85%
TF12 Variable	\$ 23.609	\$ 43.682	85%	\$ 9.676	\$ 17.903	85%
TF5	\$ 25.799	\$ 47.740	85%			
TFX	\$ 25.799	\$ 47.740	85%	\$ 9.676	\$ 17.903	85%
Field Area						
TFX	\$ 13.476	\$ 30.925	129%	\$ 7.485	\$ 17.180	130%
SMS	\$ 4.2550	\$ 7.8726	85%	\$ 4.2550	\$ 7.8726	85%
Commodity Rates						
Market Area						
TF/TFX Firm	\$ 0.0260	\$ 0.0228	-12%	\$ 0.0260	\$ 0.0228	-12%
TI	\$ 0.8742	\$ 1.5932	82%	\$ 0.3441	\$ 0.6117	78%
GS-T	\$ 1.2001	\$ 2.1952	83%	\$ 1.2001	\$ 2.1952	83%
Field Area						
TFX Firm (Rate/100 miles)	\$ 0.0103	\$ 0.0082	-21%	\$ 0.0103	\$ 0.0082	-21%
TI (Rate/100 miles)	\$ 0.2203	\$ 0.3935	79%	\$ 0.1269	\$ 0.2223	75%
GS-T	\$ 0.8740	\$ 1.9652	125%	\$ 0.8740	\$ 1.9652	125%
SMS	\$ 0.0208	\$ 0.0208	0%	\$ 0.0208	\$ 0.0208	0%

Storage Rates	Storage Rates		
	Current Rates	Proposed Rates	Percentage Change
FDD Capacity	\$ 0.6731	\$ 0.9991	48%
FDD Reservation	\$ 3.2345	\$ 4.8003	48%
Injection/Withdrawal	\$ 0.0232	\$ 0.0228	-2%
Inventory	\$ 0.1624	\$ 0.2412	48%

Pro Forma Case: Rates for Transmission Services



Transmission Rates	Transmission Rates					
	Winter			Summer		
	Current Rates	Proposed Rates	Percentage Change	Current Rates	Proposed Rates	Percentage Change
Reservation Rates						
TF12 Base	\$ 17.417	\$ 33.588	93%	\$ 9.676	\$ 18.660	93%
TF12 Variable	\$ 23.609	\$ 45.530	93%	\$ 9.676	\$ 18.660	93%
TF5	\$ 25.799	\$ 49.760	93%			
TFX 1/	\$ 25.799	\$ 49.760	93%	\$ 9.676	\$ 18.660	93%
SMS	\$ 4.2550	\$ 8.2056	93%	\$ 4.2550	\$ 8.2056	93%
Commodity Rates						
Section 3 (Market)						
TF/TFX Firm	\$ 0.0260	\$ 0.0220	-16%	\$ 0.0260	\$ 0.0220	-16%
TI	\$ 0.8742	\$ 1.6588	90%	\$ 0.3441	\$ 0.6358	85%
Section 2 (Field - Midcontinent)						
TF/TFX Firm 2/	\$ 0.0103	\$ 0.0205	na	\$ 0.0103	\$ 0.0205	na
TI 2/	\$ 0.2203	\$ 1.6573	na	\$ 0.1269	\$ 0.6343	na
Section 1 (Field - Permian)			na			na
TF/TFX Firm 2/	\$ 0.0103	\$ 0.0205		\$ 0.0103	\$ 0.0205	
TI 2/	\$ 0.2203	\$ 1.6573	na	\$ 0.1269	\$ 0.6343	na
SMS	\$ 0.0208	\$ 0.0208	na	\$ 0.0208	\$ 0.0208	na

1/ TFX percentage increase as compared to the current TFX Market Area reservation rate.

2/ Northern's current Field Area commodity rates are designed on a per 100 miles basis. Northern proposes to implement two postage stamp commodity rates in the Field Area; one for transportation within the current MIDs 1-7 (Section 1) and a second for transportation within the current MIDs 8-16B (Section 2).

Additional Information Found on Northern's Website

Docket No. G004/M-25-71
DOC Attachment 6 Public
Page 14 of 15



Regulatory and Rate Proceeding Documents



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Regulatory / **Capital Investment Reports**

Date Requested: Jun 12 2025 2:41 PM

- [2025 Maintenance Capital Projection - Customer Call](#)
- [Asset Modernization Presentation -- 2024 Update](#)
- [Maintenance Capital Plan -- April 2025](#)
- [Asset Modernization Report -- End of 2024](#)
- [Maintenance Capital Plan -- April 2024](#)
- [Asset Modernization Report -- December 2023](#)
- [Maintenance Capital Update -- December 2023](#)
- [Maintenance Capital Plan -- April 2023](#)



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Regulatory / **Regulatory And Rate Proceeding Documents**

Date Requested: Jun 12 2025 2:45 PM

Customer Communications

This section contains links to customer communications regarding the Section 4 rate case Northern plans to file on July 1, 2025.

[Customer Call - Section 4 Filing Overview](#)

Miscellaneous Regulatory Documents

This section contains links to information regarding miscellaneous regulatory documents.

No information to Display

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State of Minnesota
Minnesota Department of Commerce

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 6/12/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 6/23/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 010 - P	<p>Topic: Pipeline - Viking Interstate Pipeline (Viking), Contract Renewal October 31, 2025</p> <p>Reference(s): Amended Petition, filed April 11, 2025 , page 3</p> <p>Request:</p> <p>The Company states:</p> <p style="padding-left: 40px;">The Company will also request approval of the renewal contract with Viking. The information is not included in Exhibit A Page 4 of 4 as the contract has not been executed at this time.</p> <p>a. Has CenterPoint completed contract negotiations for renewing these contracts?</p> <p>b. If so, please provide copies of the updated agreements and an estimate of the nominal and percentage increase to the Company's Annual Estimated Demand Expense Less Total Demand Large Firm effective November 1, 2025.</p> <p>c. If not, when does CenterPoint anticipate those contract negotiations will be completed?</p> <p>Response:</p> <p>a. Yes</p> <p>b. See attachments. Attachments not provided in Public response as it contains confidential information.</p> <p>c. N/A</p>

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

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Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 6/12/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 6/23/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 011 - P	<p>Topic: Transport and Storage Contracts - ANR Agreement*</p> <p>Reference(s): Amended Petition, filed April 11, 2025 , Exhibit C1 page 2</p> <p>Request:</p> <p>The Agreement states:</p> <p style="padding-left: 40px;">[TRADE SECRET BEGINS TRADE SECRET ENDS]</p> <p>a. Please provide a copy of the following from ANR Pipeline Company's (ANR's)tariff:</p> <ol style="list-style-type: none">1. FTS-3 Rate Schedule;2. Transporter's Use (%) if tariffed or a calculation of that percentage;3. Electric Power Cost Surcharge (EPC);4. Company Use Gas for the path PL at Youngs Road to Ventura;5. FTS-1 Rate Schedule and, 6)the General Terms and Conditions section of ANR's tariff. <p>* The Department defines Agreement in these information requests being the sum of the individual contracts related to the overall transaction.</p> <p>Response:</p> <ol style="list-style-type: none">1. Please see the attached "ANRPL Tariff". FTS-3 rates can be found on pages 5-18. Further information on FTS-3 can be found on page 42A.2. Transporters use information can be found on page 19 of the attached.3. EPC surcharge information can be found on page 19A of the attached.4. Please see attached "Northern Border Pipeline Tariff"

Response By: Kristal Dipuccio

Title: Manager, Gas Supply

Department: Gas Purchasing, Minnesota

Telephone: 713-207-5965

5. FTS-1 rates can be found on pages 5-18. Further information on FTS-1 can be found on page 31.

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
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Type of Inquiry: Forecasting

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Request No.	
DOC 012 - P	<p>Topic: Transport & Storage Contracts - ANR Agreement* (continued from previous page)</p> <p>Reference(s): Amended Petition, filed April 11, 2025 , Exhibit C1 page 2</p> <p>Request:</p> <ul style="list-style-type: none">a. Provide a narrative that explains how the different individual contracts are organized within the broader ANR agreement.b. Is CenterPoint forecasting receiving any capacity release revenues from this agreement?c. Provide a map that shows the Primary Route for this agreement.d. Did the Primary Route for this agreement change due to the contract amendments?e. Provide the analysis that determined [TRADE SECRET BEGINS TRADE SECRET ENDS]f. Not accounting for macro-economic matters, are there any contingencies to this agreement that might change its Targeted In-Service date? If so, please provide a narrative that delineates those contingencies.g. Please provide a mock-up of a sample invoice for service in November 2025 for the ANR Agreement. <p>* The Department defines Agreement in these information requests being the sum of the individual contracts related to the overall transaction.</p> <p>Response:</p> <ul style="list-style-type: none">a. See attachment DOC 012_ANR Contract Overview, tab Contract Overview. Attachment is not provided in the Public version as it contains confidential information.

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

- b. At this time, CenterPoint does not intend to release any of its ANR capacity. If there is ever a change in this position, CenterPoint will make sure to notify the DOC in its demand filing.
- c. See attachment DOC 012_ANR Project Route. Attachment is not provided in the Public version as it contains confidential information.
- d. No
- e. See attachment DOC 012_ANR Contract Overview, tab MDQ Analysis. Attachment is not provided in the Public version as it contains confidential information.
- f. At this time ANR's communication to CenterPoint is Targeted In-Service date is on schedule as planned for November 1, 2025. CenterPoint initiated storage injections beginning April 1, 2025 and has had no issues doing so.
- g. CenterPoint is not responsible for producing these invoices, but will provide the actual invoices in reply comments if they are available at that time.

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

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Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 013 - P	<p>Topic: Transport & Storage Contracts - ANR Agreement*</p> <p>Reference(s): Amended Petition, filed April 11, 2025 , Exhibit C1</p> <p>Request:</p> <p>a. Provide a copy of the original FSS contracts between ANR and CenterPoint [TRADE SECRET BEGINS TRADE SECRET ENDS]</p> <p>b. Provide a copy of the original FTS-1 contracts between ANR and CenterPoint [TRADE SECRET BEGINS TRADE SECRET ENDS]</p> <p>c. Please explain how the FTS-3 and FTS-1 Rate Schedules in ANR's tariff work in relation to one another.</p> <p>* The Department defines Agreement in these information requests being the sum of the individual contracts related to the overall transaction.</p> <p>Response:</p> <p>1. See attachments DOC 013_139917, DOC 013_139917-1, DOC 013_139967, DOC 013_139967-1. Attachment is not provided in the Public version as it contains confidential information.</p> <p>2. See attachments DOC 013_139907, DOC 013_139907-1, DOC 013_139910, DOC 013_139910-1, DOC 013_139906, DOC 013_139906-1, DOC 013_139906-2. Attachment is not provided in the Public version as it contains confidential information.</p> <p>3. FTS-1 and FTS-3 are both max rate transportation services provided by</p>

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

ANR. FTS-1 is considered Zone 7-7 service and FTS-3 is 24 Hour service. The open season was all inclusive package of both services and allow for max storage withdrawal deliverability.

See attachments DOC 013_ANR FTS-1 Rate Schedule and DOC 013_ANR FTS-3 Rate Schedule.

Attachment is not provided in the Public version as it contains confidential information.

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
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Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 014 - P	<p>Topic: Transport & Storage - Tenaska Gas Storage, LLC and East Cheyenne Gas Storage</p> <p>Reference(s): Petition, April 1, 2025 , page 3</p> <p>Request:</p> <p>a. Please provide a copy of East Cheyenne's Open Season Request for Bids.</p> <p>b. Please provide any, and all, bid information submitted by Tenaska in response to East Cheyenne's Open Season.</p> <p>c. Please provide a detailed explanation of the reasons why CenterPoint accepted East Cheyenne/Tenaska's proposed contract for firm storage service.</p> <p>If this information has been provided in initial petition or in response to an earlier Department-DER information request, please identify the specific cite(s) or Department-DER information request numbers(s).</p> <p>Response:</p> <p>a. See attachment DOC 014_E Chey Open Season. The attachment is not filed in the Public version as it contains trade secret information.</p> <p>b. This information is confidential and proprietary between East Cheyenne and Tenaska. The contracts and communication between East Cheyenne and Tenaska were considered a separate transaction from the storage agreement between CenterPoint and Tenaska, not executed as a tri-party agreement. This agreement is structured the same way as the previously awarded storage agreement with CenterPoint and Tenaska</p>

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

that was effective April 1, 2024 and approved by the PUC based on DOC recommendation of approval in Docket 24-146.

- c. Firm storage service is the best tool to acquire in a supply portfolio to provide stabilization, reasonable price and reliability. Continuing to add storage can potentially reduce the number of physical hedges needing to be made to achieve CenterPoint's desired stabilization rate of 50%. The availability of pipeline storage and corresponding firm transportation is a rarity, or not available at all when considering NNG or NGPL, therefore it is important the Company prudently evaluates any and all storage opportunities it is presented with and elects to move forward when the business need makes sense.

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

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GAS

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Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 015 - P	<p>Topic: Marketer Storage Contract - Request for Proposal Reference(s): Petition, filed April 1, 2025 , page 2</p> <p>Request:</p> <p>a. Please provide a copy of the Request for Proposal (RFP) CenterPoint issued.</p> <p>b. Please provide any, and all, bid information submitted by BP Energy and the other bidders who were not successful.</p> <p>c. Please provide a detailed explanation of the reasons why CenterPoint accepted the BP Canada bid.</p> <p>d. According to the Company's Petition in Docket No. G008/M-19-278, an existing short-term winter contract was due to expire so CenterPoint issued an RFP to 12 suppliers. In this docket the Company noted it issued the RFP to 6 suppliers.</p> <p>e. Why did the Company choose to issue RFP's to so few suppliers compared to the effort in 2018?</p> <p>If this information has been provided in initial petition or in response to an earlier Department-DER information request, please identify the specific cite(s) or Department-DER information request numbers(s).</p> <p>Response:</p> <p>a. See attachment DOC 015_Marketer Storage RFP. Attachment not provided in Public version as it contains trade secret information.</p> <p>b. See attachments DOC 015_BP Bid, DOC 015_Koch Bid, DOC 015_Tenaska Bid. Attachment not provided in Public version as it</p>

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

contains trade secret information.

c. BP was awarded the marketer storage deal beginning May 1, 2025 for the following reasons:

- „ All offers received from BP presented the lowest demand rate,
- „ BP was able to offer the full volume requested,
- „ BP was able to offer terms of both 3 and 5 years for evaluation,
- „ BP was able to offer non-rateable volumes over the weekend/holidays,
- „ Given all the points mentioned above, BP has an established relationship with CenterPoint for this product as the incumbent supplier and proven track record of reliability.

d. Agree with this statement.

e. In 2018, 12 suppliers were solicited and only 2 bids were received from BP and Tenaska for the 2018-2022 term. In 2021, only 2 bids were received from BP and Tenaska for the 2022-2025 term. It is important to note a transaction of this size requires a sizeable storage portfolio and profound market presence on the pipelines which serve our Minnesota customers to manage the required deliverability and flexibility. Therefore there is only a limited number of suppliers who the Company can solicit for this marketer storage agreement. This coupled with prior participation was justification for CenterPoint narrowing down the prospect pool for the 2025-2030 term.

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GAS

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Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

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Request No.	
DOC 016	<p>Topic: Capacity Release – FDD Rounding Error</p> <p>Reference(s): Petition, filed April 1, 2025 , page 3, Exhibit A, Pages 1 and 2</p> <p>Request:</p> <p>What prompted the Company to request this change?</p> <p>Response:</p> <p>When preparing the current demand entitlement filing, it was noted that there was a difference of \$1 due to rounding.</p>

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
Department: Regulatory Portfolio Management MN
Telephone: 612-321-4677

State of Minnesota
Minnesota Department of Commerce

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Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 6/23/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 003	<p>Topic: Design Day Model</p> <p>Reference(s): Second Amended Petition, filed May 29, 2025 , Exhibit B, page 1</p> <p>Request:</p> <p>a. Has the design day estimate of use per firm customer varied during the past 10 years?</p> <p>b. If so, please provide one or more examples.</p> <p>c. Please provide the calculation that determines the Company's estimate of the use per firm customer on a design day at the 95 percent confidence interval of 1.627 Dth/day.</p> <p>Response:</p> <p>a. The design day estimate of use per firm customer stayed close during the past 10 years. The value was 1.566 back in WS 2015-2016. It gradually increased to 1.627 in this year's filing (WS 2025-2026). The overall change is less than 4% during past 10 years.</p> <p>b. Please see answer for IR 3.a.</p> <p>c. Please see answer for IR 2, the attached file 'CNP MN Gas Design Day 19-25 043025.xlsx'.</p>

Response By: Michael Yang
Title: Manager, Supply Planning
Department: Gas Supply Forecast & Analysis
Telephone: 713-207-3378

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Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 6/23/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.																						
DOC 006	<div>Topic: Design Day - Firm Transport Migration Design Day Estimate</div> <div>Reference(s): Second Amended Petition, filed May 29, 2025 , page 4</div> <div>Request:</div> <div>Please provide the percentage of firm transportation service that has shifted to firm sales service annually since the 2020-2021 heating season.</div> <div>Response:</div> <table><tr><th></th><th colspan="6">Year</th></tr><tr><th></th><th>2020</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th><th>2025</th></tr><tr><td>Percentage Switch by Period</td><td>3%</td><td>0%</td><td>2%</td><td>3%</td><td>0%</td><td>1%</td></tr></table>		Year							2020	2021	2022	2023	2024	2025	Percentage Switch by Period	3%	0%	2%	3%	0%	1%
	Year																					
	2020	2021	2022	2023	2024	2025																
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Response By: Michael Yang
Title: Manager, Supply Planning
Department: Gas Supply Forecast & Analysis
Telephone: 713-207-3378

State of Minnesota
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Utility Information Request

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Demand Units

Date of Request: 7/24/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 8/4/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 020	<p>Topic: Effect of electric heat pumps on CenterPoint's 2025 design day calculation for the residential class</p> <p>Reference(s): N/A</p> <p>Request:</p> <p>In response to a question from Commissioner Ham at the Minnesota Public Utilities Commission (Commission) energy agenda meeting on June 17, 2025 Emily Suppes, representing CenterPoint Energy stated that CenterPoint's design day analysis incorporated the impacts of customer-purchased heat pumps on the Company's 2024-2025 design day calculation.</p> <ol style="list-style-type: none">1. Please provide a narrative that explains CenterPoint's process or protocol for estimating the effects of the number of electric heat pumps that are being installed on its 2025-2026 residential design day calculation.2. Please explain CenterPoint's process for identifying which CenterPoint residential customers have installed electric heat pumps.3. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of electric heat pumps in its 2025-2026 residential design day calculations.4. What other approaches (for incorporating the effects of the penetration of non-heat pump electrification technologies) did CenterPoint consider but not use? Please explain in detail.5. Did the Company include any adjustment(s) to its 2025-2026 residential design day calculations to incorporate the impacts of electric heat pumps?

Response By: Donald Wynia

Title: Senior Analyst, Regulatory & Rates

Department: Regulatory Portfolio Management MN

Telephone: 612-321-4677

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6. If so, please explain the adjustments and provide the analysis.

Response:

On the June 17, 2025 Commission meeting, Ms. Suppes stated CenterPoint's design day analysis is based on historical data, including factors impacting customer usage.

1. The design day calculation is a short-term forecast based on historical data. There is not data to support heat pumps impact design day forecast modeling. CenterPoint has seen a decline in overall throughput for individual customer gas usage due to energy efficiency measures. However, the Company has not seen a decrease in design day customer throughput, nor a decrease in customers. In the 2024-2025 heating season CenterPoint set a record for single day throughput during an extreme weather event.
2. CenterPoint does not track this information.
3. As stated above, design day forecasting is based on historical data. The Company envisions further reviewing this topic during longer range forecast planning in the IRP docket.
4. N/A
5. No.
6. N/A

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
Department: Regulatory Portfolio Management MN
Telephone: 612-321-4677

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GAS

Response Due: 8/4/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 021	<p>Topic: Effect of electric heat pumps on CenterPoint's 2025 design day calculation for the other firm classes Reference(s): N/A</p> <p>Request:</p> <p>In response to a question from Commissioner Ham at the Minnesota Public Utilities Commission (Commission) energy agenda meeting on June 17, 2025 Emily Suppes, representing CenterPoint Energy stated that CenterPoint's design day analysis incorporated the impacts of customer-purchased heat pumps on the Company's 2024-2025 design day calculation.</p> <ol style="list-style-type: none">1. Please provide a narrative that explains CenterPoint's process or protocol for estimating the effects of the number of electric heat pump that are being installed on its 2025-2026 design day calculations for the remaining firm customer classes.2. Please explain CenterPoint's process for identifying which CenterPoint customers from the remaining firm customer classes have installed electric heat pumps.3. Please provide the analysis the Company performed to determine its approaches for incorporating the effects of the penetration of electric heat pumps in its 2025-2026 design day calculations for the remaining firm customer classes.4. What other approaches (for incorporating the effects of the penetration of non-heat pump electrification technologies) did CenterPoint consider but not use? Please explain in detail.5. Did the Company include any adjustment(s) to its 2025-2026 design day

Response By: Donald Wynia

Title: Senior Analyst, Regulatory & Rates

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Telephone: 612-321-4677

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calculations for the other firm customer classes to recognize the impacts of electric heat pumps?

6. If so, please explain the adjustments and provide the analysis.

Response:

1-6. Please see the response to DOC 020.

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
Department: Regulatory Portfolio Management MN
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GAS

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Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 022	<p>Topic: Effects of non-heat pump electrification technologies on CenterPoint's 2025-2026 residential design day calculation</p> <p>Reference(s): N/A</p> <p>Request:</p> <ol style="list-style-type: none">1. Please provide a narrative that explains CenterPoint's process or protocol for estimating the effects of the installation of non-heat pump electrification technologies that are being installed for use by CenterPoint's residential customers and the forecasted effects of non-heat pump electrification technologies on the Company's 2025-2026 residential design day calculations.2. Please explain CenterPoint's process for identifying which residential customers have installed non-heat pump electrification technologies.3. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of non-heat pump electrification technologies in its 2025-2026 residential design day calculations.4. What other approaches (for incorporating the effects of the penetration of non-heat pump electrification technologies) did CenterPoint consider but not use? Please explain in detail.5. Did the Company include any adjustments to its 2025-2026 residential design day calculations to incorporate the impacts of these non-heat pump electrification technologies?6. If so, please explain the adjustments and provide this analysis. <p>Response:</p>

Response By: Donald Wynia

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Department: Regulatory Portfolio Management MN

Telephone: 612-321-4677

| 1-6. Please see the response to DOC 020.

Response By: Donald Wynia
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Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 023	<p>Topic: Effects of electrification technologies on the firm commercial customer classes in CenterPoint's 2025-2026 design day calculations Reference(s): N/A</p> <p>Request:</p> <ol style="list-style-type: none">1. Has CenterPoint identified any electrification technologies currently in use in its service area that displace the use of natural gas technology and the effect of those electrification technologies on the 2025-2026 firm commercial design day calculations? Please explain in detail.2. Provide a narrative that delineates the Company's process of data collection and analysis for the different electrification technologies identified for the firm commercial classes.3. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of forms of electrification technologies in its 2025-2026 firm commercial customer classes design day calculations.4. What other approaches (for incorporating the effects of the penetration of electrification technologies) did CenterPoint consider but not use? Please explain in detail.5. Did the Company include any adjustments to its 2025-2026 firm commercial design day calculations to incorporate the impacts of these electrification technologies?6. If so, please explain the adjustments and provide this analysis.

Response By: Donald Wynia

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Department: Regulatory Portfolio Management MN

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Response:

1-6. Please see response to DOC 020.

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
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Minnesota Department of Commerce**

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GAS

Response Due: 8/4/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 024	<p>Topic: Effects of electrification technologies on the firm industrial customer classes in CenterPoint's 2025-2026 design day calculations</p> <p>Reference(s): N/A</p> <p>Request:</p> <ol style="list-style-type: none">1. Has CenterPoint identified any electrification technologies currently that affect the 2025-2026 design day calculations for the firm industrial customer classes? Please explain in detail.2. Provide a narrative that delineates the Company's process of data collection and analysis for the different electrification technologies identified for the firm industrial customer classes.3. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of forms of electrification technologies in its 2025-2026 firm industrial customer classes design day calculations.4. What other approaches (for incorporating the effects of the penetration of electrification technologies) did CenterPoint consider but not use? Please explain in detail.5. Did the Company include any adjustments to its 2025-2026 firm industrial design day calculations to incorporate the impacts of these electrification technologies?6. If so, please explain the adjustments provide this analysis.

Response By: Donald Wynia
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Department: Regulatory Portfolio Management MN
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Response:

1-6. Please see the answers to DOC 020.

Response By: Donald Wynia
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If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 025	<p>Topic: Effects of electric heat pumps on CenterPoint's 2025-2026 heating season on forecasted residential monthly sales</p> <p>Reference(s): N/A</p> <p>Request:</p> <ol style="list-style-type: none">1. Please provide a narrative that explains CenterPoint's process or protocol for estimating the effects of the number of electric heat pumps that are being installed in its service area on its 2025-2026 heating season residential forecasted monthly sales.2. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of electric heat pumps in its 2025-2026 heating season residential forecasted monthly sales.3. What other approaches (for incorporating the effects of the penetration of electric heat pumps) did CenterPoint consider but not use? Please explain in detail.4. Did the Company include any adjustments to its 2025-2026 heating season residential forecasted monthly sales to incorporate the impacts of electric heat pumps?5. If so, please explain the adjustments and provide this analysis. <p>Response:</p> <ol style="list-style-type: none">1. CenterPoint has seen a decline in overall throughput for individual customer gas usage due to energy efficiency measures. However, the Company has not seen a decrease in sales due to increased customers

Response By: Donald Wynia

Title: Senior Analyst, Regulatory & Rates

Department: Regulatory Portfolio Management MN

Telephone: 612-321-4677

and increased industrial throughput, especially generation.

2. N/A

3. N/A

4. No.

5. N/A

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
Department: Regulatory Portfolio Management MN
Telephone: 612-321-4677

State of Minnesota
Minnesota Department of Commerce

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 7/24/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 8/4/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 026	<p>Topic: Effects of non-heat pump electrification technologies on CenterPoint's 2025-2026 heating season residential forecasted monthly sales</p> <p>Reference(s): N/A</p> <p>Request:</p> <ol style="list-style-type: none">1. Please provide a narrative that explains CenterPoint's process or protocol for estimating the effects of the installation of non-heat pump electrification technologies that are being installed for use by residential customers and the effects this change has on the Company's 2025-2026 heating season residential forecasted monthly sales.2. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of non-heat pump electrification technologies in its 2025-2026 heating season residential forecasted monthly sales.3. What other approaches (for incorporating the effects of the installation of non-heat pump electrification technologies) did CenterPoint consider but not use? Please explain in detail.4. Did the Company include any adjustments to its 2025-2026 heating season residential monthly sales to incorporate the impacts of these non-heat pump forms of electrification?5. If so, please explain the adjustments and provide this analysis. <p>Response:</p> <p>1-5. See response to DOC 025.</p>

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
Department: Regulatory Portfolio Management MN
Telephone: 612-321-4677

**State of Minnesota
Minnesota Department of Commerce**

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 7/24/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 8/4/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 027	<p>Topic: Effects of electrification technologies used by the commercial class on 2025-2026 heating season commercial monthly sales forecast</p> <p>Reference(s): N/A</p> <p>Request:</p> <ol style="list-style-type: none">1. Has CenterPoint identified any electrification technologies currently in use in its service area that effect the Company's 2025-2026 heating season commercial forecasted monthly sales?2. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of electrification technologies in its 2025-2026 heating season commercial monthly sales calculation.3. What other approaches (for incorporating the effects of electrification technologies) did CenterPoint consider but not use? Please explain in detail.4. Did the Company include any adjustments to its 2025-2026 heating season commercial forecasted monthly sales to incorporate the impacts of these different electrification technologies?5. If so, please explain the adjustments and provide this analysis. <p>Response:</p> <p>1-5. See response to DOC 025.</p>

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
Department: Regulatory Portfolio Management MN
Telephone: 612-321-4677

**State of Minnesota
Minnesota Department of Commerce**

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 7/24/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 8/4/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 028	<p>Topic: Effects of electrification technologies used by the industrial customer class on 2025-2026 heating season industrial monthly sales forecast</p> <p>Reference(s): N/A</p> <p>Request:</p> <ol style="list-style-type: none">1. Has CenterPoint identified any electrification technologies currently in use in its service area that affect the Company's 2025-2026 heating season industrial forecasted monthly sales?2. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of forms of electrification technologies in its 2025-2026 industrial monthly sales calculation.3. What other approaches (for incorporating the effects of electrification technologies) did CenterPoint consider but not use? Please explain in detail.4. Did the Company include any adjustments to its 2025-2026 heating season industrial forecasted monthly sales to incorporate the impacts of these electrification technologies?5. If so, please explain the adjustments and provide this analysis. <p>Response:</p> <p>1-5. See response to DOC 025.</p>

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
Department: Regulatory Portfolio Management MN
Telephone: 612-321-4677

State of Minnesota
Minnesota Department of Commerce

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 7/24/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 8/4/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 029	<p>Topic: Analysis of different statistical approaches to existing regression models that allow for the incorporation of electrification technologies Reference(s): N/A</p> <p>Request:</p> <ol style="list-style-type: none">1. Has CenterPoint analyzed statistical approaches other than its existing regression models that would allow CenterPoint to incorporate the effects of electrification technologies on its annual forecasted design day and forecasted monthly sales?2. If so, please explain the statistical approaches and provide the analysis. <p>Response:</p> <ol style="list-style-type: none">1. No.2. N/A.

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
Department: Regulatory Portfolio Management MN
Telephone: 612-321-4677

**State of Minnesota
Minnesota Department of Commerce**

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 7/24/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 8/4/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 030	<p>Topic: Agreements with electric utilities to share interstate pipeline capacity during extreme weather events Reference(s): N/A</p> <p>Request:</p> <ol style="list-style-type: none">1. Has CenterPoint identified any electric utilities in Minnesota with whom it would be beneficial to share interstate pipeline capacity during extreme weather events?2. Has CenterPoint initiated discussions regarding such an agreement with any electric utilities in Minnesota? Please explain in detail.3. Does CenterPoint have any types of sharing agreements with electric utilities in its non-Minnesota service areas? Please explain in detail. <p>Response:</p> <ol style="list-style-type: none">1. No.2. No, CenterPoint needs its full capacity during extreme weather events.3. No.

Response By: Donald Wynia
Title: Senior Analyst, Regulatory & Rates
Department: Regulatory Portfolio Management MN
Telephone: 612-321-4677

State of Minnesota
Minnesota Department of Commerce

Utility Information Request

Docket Number: G-008/M-25-72 - Request for Change in
Demand Units

Date of Request: 6/12/2025

Requested From: CENTERPOINT ENERGY MINNESOTA
GAS

Response Due: 6/23/2025

Analyst Requesting Information: John Kundert, Lynn Behr

Type of Inquiry: Forecasting

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
DOC 018	<p>Topic: Distribution Planning Assumptions</p> <p>Reference(s): N/A</p> <p>Request:</p> <ol style="list-style-type: none">1. Has CenterPoint changed any of the assumptions it uses for distribution planning purposes in the past year?2. If so, please identify those assumptions, the changes made and the potential effects of those changes on the Company's distribution system in the future. <p>Response:</p> <ol style="list-style-type: none">1. In the past year, CenterPoint Energy has not substantially changed its methods of planning improvements to and extensions of its distribution system.2. Not applicable.

Response By: Kristal Dipuccio
Title: Manager, Gas Supply
Department: Gas Purchasing, Minnesota
Telephone: 713-207-5965

Department Exhibit 1
Docket No. G008/M-25-72
CenterPoint Demand Entitlement Analysis

Docket No.	Heating Season	Number of Firm Customers				Design Day Requirement			Total Entitlement Plus On-line Storage & Peak Shaving			Reserve Margin
		(1 A) Actual Number of Jan. Customers	(1) Projected DD Customers	(2) Change from Previous Year	(3) % Change From Previous Year	(4) Design Day (Dk)	(5) Change from Previous Year	(6) % Change From Previous Year	(7) Total Entitlement (Dk)	(8) Entitlement Change from Previous Year	(9) % Change From Previous Year	
25-72	2025-2026		935,964	8,693	0.94%	1,544,100	22,800	1.50%	1,580,100	10,370	0.66%	2.33%
24-146	2024-2025	926,654	927,271	7,626	0.83%	1,521,300	20,850	1.39%	1,569,730	27,943	1.81%	3.18%
23-221	2023-2024	921,885	919,645	7,725	0.85%	1,500,450	23,850	1.62%	1,541,787	21,503	1.41%	2.75%
22-306	2022-2023	911,310	911,920	13,580	1.51%	1,476,600	23,600	1.62%	1,520,284	-1,300	-0.09%	2.96%
21-523	2021-2022	901,383	898,340	12,679	1.43%	1,453,000	10,000	0.69%	1,521,584	69,000	4.75%	4.72%
20-565	2020-2021	890,385	885,661	1,097	0.12%	1,443,000	8,000	0.56%	1,452,584	1,300	0.09%	0.66%
19-278	2019-2020	878,543	884,564	19,211	2.22%	1,435,000	26,000	1.85%	1,451,284	41,688	2.96%	1.13%
18-462	2018-2019	868,105	865,353	8,261	0.96%	1,409,000	6,000	0.43%	1,409,596	0	0.00%	0.04%
17-533	2017-2018	858,548	857,092	6,520	0.77%	1,403,000	39,000	2.86%	1,409,596	34,126	2.48%	0.47%
16-571	2016-2017	847,780	850,572	9,437	1.12%	1,364,000	11,000	0.81%	1,375,470	19,519	1.44%	0.84%
15-644	2015-2016	839,291	841,135	11,133	1.34%	1,353,000	27,000	2.04%	1,355,951	11,533	0.86%	0.22%
14-561	2014-2015	830,377	830,002	6,212	0.75%	1,326,000	2,000	0.15%	1,344,418	4,479	0.33%	1.39%
13-578	2013-2014	821,220	823,790	12,651	1.56%	1,324,000	8,000	0.61%	1,339,939	-6,842	-0.51%	1.20%
12-864	2012-2013	813,605	811,139	3,212	0.40%	1,316,000	100,000	8.22%	1,346,781	-32,900	-2.38%	2.34%
11-1078	2011-2012	807,922	807,927	3,647	0.45%	1,216,000	3,000	0.25%	1,379,681	0	0.00%	13.46%
10-1162	2010-2011	804,703	804,280	3,104	0.39%	1,213,000	2,000	0.17%	1,379,681	40,000	2.99%	13.74%
09-1260	2009-2010	801,286	801,176	4,031	0.51%	1,211,000	-24,000	-1.94%	1,339,681	9,615	0.72%	10.63%
08-1307	2008-2009	797,228	797,145	-10,815	-1.34%	1,235,000	-11,000	-0.88%	1,330,066	873	0.07%	7.70%
07-561	2007-2008	792,950	807,960	15,025	1.89%	1,246,000	14,000	1.14%	1,329,193	26,891	2.06%	6.68%
06-1533	2006-2007	787,326	792,935	16,585	2.14%	1,232,000	12,000	0.98%	1,302,302	2,000	0.15%	5.71%
05-1736	2005-2006	777,424	776,350	17,129	2.26%	1,220,000	-44,000	-3.48%	1,300,302	4,500	0.35%	6.58%
	2004-2005	762,835	759,221	14,710	1.98%	1,264,000	21,000	1.69%	1,295,802	0	0.00%	2.52%
	2003-2004**	745,890	744,511	18,603	2.56%	1,243,000	29,300	2.41%	1,295,802	34,400	2.73%	4.25%
	2002-2003**	728,005	725,908	16,524	2.33%	1,213,700	30,092	2.54%	1,261,402	12,500	1.00%	3.93%
	2001-2002		709,384			1,183,608			1,248,902			5.52%
Average Per Year:			826,387	9,473	1.18%	1,325,069	14,682	1.12%	1,379,242	13,949	1.01%	4.28%

Docket No.	Heating Season	Firm Peak Day Sendout			Per Customer Metrics				
		(11) Firm Peak Day Sendout (Dk)	(12) Change from Previous Year	(13) % Change From Previous Year	(14) Excess per Customer [(7) - (4)]/(1)	(15) Design Day per Customer (4)/(1)	(16) Entitlement per Customer (7)/(1)	(17) Peak Day Sendout per DD # Customer (11)/(1)	(18) Peak Day Sendout per Actual Customers (11)/(1.A)
24-146	2024-2025	n/a	n/a	n/a				n/a	n/a
23-221	2023-2024	1,087,403	(54,055)	-4.74%	0.0449	1.6316	1.6765	1.1824	1.1795
22-306	2022-2023	1,141,458	36,668	3.32%	0.0479	1.6192	1.6671	1.2517	1.2525
21-523	2021-2022	1,104,790	(41,811)	-3.65%	0.0763	1.6174	1.6938	1.2298	1.2257
20-565	2020-2021	1,146,601	119,943	11.68%	0.0108	1.6293	1.6401	1.2946	1.2878
19-278	2019-2020	1,026,658	(226,861)	-18.10%	0.0184	1.6223	1.6407	1.1606	1.1686
18-462	2018-2019	1,253,519	163,897	15.04%	0.0007	1.6282	1.6289	1.4486	1.4440
17-533	2017-2018	1,089,622	110,691	11.31%	0.0077	1.6369	1.6446	1.2713	1.2691
16-571	2016-2017	978,931	(15,215)	-1.53%	0.0135	1.6036	1.6171	1.1509	1.1547
15-644	2015-2016	994,146	34,156	3.56%	0.0035	1.6085	1.6120	1.1819	1.1845
14-561	2014-2015	959,990	(126,340)	-11.63%	0.0222	1.5976	1.6198	1.1566	1.1561
13-578	2013-2014	1,086,330	125,196	13.03%	0.0193	1.6072	1.6266	1.3187	1.3228
12-864	2012-2013	961,134	130,690	15.74%	0.0379	1.6224	1.6604	1.1849	1.1813
11-1078	2011-2012	830,444	(42,328)	-4.85%	0.2026	1.5051	1.7077	1.0279	1.0279
10-1162	2010-2011	872,772	(21,153)	-2.37%	0.2072	1.5082	1.7154	1.0852	1.0846
09-1260	2009-2010	893,925	(130,839)	-12.77%	0.1606	1.5115	1.6721	1.1158	1.1156
08-1307	2008-2009	1,024,764	21,335	2.13%	0.1193	1.5493	1.6685	1.2855	1.2854
07-561	2007-2008	1,003,429	5,627	0.56%	0.1030	1.5422	1.6451	1.2419	1.2654
06-1533	2006-2007	997,802	140,866	16.44%	0.0887	1.5537	1.6424	1.2584	1.2673
05-1736	2005-2006	856,936	(87,406)	-9.26%	0.1034	1.5715	1.6749	1.1038	1.1023
	2004-2005	944,342	(69,052)	-6.81%	0.0419	1.6649	1.7068	1.2438	1.2379
	2003-2004	1,013,394	97,281	10.62%	0.0709	1.6696	1.7405	1.3612	1.3586
	2002-2003	916,113	122,670	15.46%	0.0657	1.6720	1.7377	1.2620	1.2584
	2001-2002	793,443			0.0920	1.6685	1.7605	1.1185	
Average Per Year:		999,041	13,362	1.96%	0.0678	1.6018	1.6695	1.2146	1.2196

All the numbers reflected in the above tables are consolidated for the Company's previous Northern and Viking service areas.

* = Projected Values

** = From CenterPoint's Exh. B, page 3 in Docket No. G008/M-08-1307.

1/ Corrected total entitlement amounts for peak-shaving output. See Docket No. G008/M-10-1162.

Department Attachment 2
Docket No. G008/M-25-72
CenterPoint Rate and Annual Bill Impacts on April 1, 2025 PGA

	Last Demand Change November 1, 2024				April 1, 2025			
	Last Rate Case (G008/MR-21-435)	(G008/M-24-146)	March 1, 2025 PGA	Demand Change (G008/M-25-72)	Change From Last Rate Case	Change From Last Demand Change	Percent Change (%) From Most Recent PGA	Change (\$) From Most Recent PGA
Residential								
Commodity Cost of Gas (WACOG) (4)	\$4.2905	\$2.6289	\$3.3692	\$3.2671	-23.85%	24.28%	-3.03%	(\$0.1021)
Demand Cost of Gas (1)	\$1.2888	\$1.4443	\$1.4443	\$1.5017	16.52%	3.97%	3.97%	\$0.0574
Commodity Margin (2) (3) (5)	\$2.5043	\$2.9019	\$2.9797	\$2.9797	18.98%	2.68%	0.00%	\$0.0000
Total Cost of Gas	\$8.0836	\$6.9751	\$7.7932	\$7.7485	-4.15%	11.09%	-0.57%	(\$0.0447)
Average Annual Usage (Dk)	89	89	89	89				
Average Annual Total Cost of Gas	\$719.44	\$620.78	\$693.59	\$689.62	-4.15%	11.09%	-0.57%	(\$3.98)
Average Annual Total Demand Cost of Gas								\$5.11

	Last Demand Change November 1, 2024				April 1, 2025			
	Last Rate Case (G008/MR-21-435)	(G008/M-24-146)	March 1, 2025 PGA	Demand Change (G008/M-25-72)	Change From Last Rate Case	Change From Last Demand Change	Percent Change (%) From Most Recent PGA	Change (\$) From Most Recent PGA
Commercial/Industrial Firm - A								
Commodity Cost of Gas (WACOG) (4)	\$4.2905	\$2.6289	\$3.3692	\$3.2671	-23.85%	24.28%	-3.03%	(\$0.1021)
Demand Cost of Gas (1)	\$1.2888	\$1.4443	\$1.4443	\$1.5017	16.52%	3.97%	3.97%	\$0.0574
Commodity Margin (2) (3) (5)	\$2.6411	\$3.8897	\$3.8897	\$3.8897	47.28%	0.00%	0.00%	\$0.0000
Total Cost of Gas	\$8.2204	\$7.9629	\$8.7032	\$8.6585	5.33%	8.74%	-0.51%	(\$0.0447)
Average Annual Usage (Dk)	81	81	81	81				
Average Annual Total Cost of Gas	\$665.85	\$644.99	\$704.96	\$701.34	5.33%	8.74%	-0.51%	(\$3.62)
Average Annual Total Demand Cost of Gas								\$4.65

	Last Demand Change November 1, 2024				April 1, 2025			
	Last Rate Case (G008/MR-21-435)	(G008/M-24-146)	March 1, 2025 PGA	Demand Change (G008/M-25-72)	Change From Last Rate Case	Change From Last Demand Change	Percent Change (%) From Most Recent PGA	Change (\$) From Most Recent PGA
Commercial/Industrial Firm - B								
Commodity Cost of Gas (WACOG) (4)	\$4.2905	\$2.6289	\$3.3692	\$3.2671	-23.85%	24.28%	-3.03%	(\$0.1021)
Demand Cost of Gas (1)	\$1.2888	\$1.4443	\$1.4443	\$1.5017	16.52%	3.97%	3.97%	\$0.0574
Commodity Margin (2) (3) (5)	\$1.7360	\$1.9325	\$1.9325	\$1.9325	11.32%	0.00%	0.00%	\$0.0000
Total Cost of Gas	\$7.3153	\$6.0057	\$6.7460	\$6.7013	-8.39%	11.58%	-0.66%	(\$0.0447)
Average Annual Usage (Dk)	12,076	12,076	12,076	12,076				
Average Annual Total Cost of Gas	\$88,339.56	\$72,524.83	\$81,464.70	\$80,924.90	-8.39%	11.58%	-0.66%	(\$539.80)
Average Annual Total Demand Cost of Gas								\$693.16

	Last Demand Change November 1, 2024				April 1, 2025			
	Last Rate Case (G008/MR-21-435)	(G008/M-24-146)	March 1, 2025 PGA	Demand Change (G008/M-25-72)	Change From Last Rate Case	Change From Last Demand Change	Percent Change (%) From Most Recent PGA	Change (\$) From Most Recent PGA
Commercial/Industrial Firm - C								
Commodity Cost of Gas (WACOG) (4)	\$4.2905	\$2.6289	\$3.3692	\$3.2671	-23.85%	24.28%	-3.03%	(\$0.1021)
Demand Cost of Gas (1)	\$1.2888	\$1.4443	\$1.4443	\$1.5017	16.52%	3.97%	3.97%	\$0.0574
Commodity Margin (2) (3) (5)	\$1.7360	\$1.9325	\$1.9325	\$1.9325	11.32%	0.00%	0.00%	\$0.0000
Total Cost of Gas	\$7.3153	\$6.0057	\$6.7460	\$6.7013	-8.39%	11.58%	-0.66%	(\$0.0447)
Average Annual Usage (Dk)	12,076	12,076	12,076	12,076				
Average Annual Total Cost of Gas	\$88,339.56	\$72,524.83	\$81,464.70	\$80,924.90	-8.39%	11.58%	-0.66%	(\$539.80)
Average Annual Total Demand Cost of Gas								\$693.16

	Last Demand Change November 1, 2024				April 1, 2025			
	Last Rate Case (G008/MR-21-435)	(G008/M-24-146)	March 1, 2025 PGA	Demand Change (G008/M-25-72)	Change From Last Rate Case	Change From Last Demand Change	Percent Change (%) From Most Recent PGA	Change (\$) From Most Recent PGA
Large General Service								
Commodity Cost of Gas (WACOG) (4)	\$4.2905	\$2.6289	\$3.3692	\$3.2671	-23.85%	24.28%	-3.03%	(\$0.1021)
Commodity Margin (2) (3) (5)	\$0.8301	\$1.0029	\$1.0029	\$1.0807	30.19%	7.76%	7.76%	\$0.0778
Commodity Charges	\$5.1206	\$3.6318	\$4.3721	\$4.3478	-15.09%	19.71%	-0.56%	(\$0.0243)
LV Demand Cost of Gas (1)	\$9.9733	\$12.3733	\$12.8270	\$15.7572	57.99%	27.35%	22.84%	\$2.9302
LV Demand Delivery Charge	\$4.8303	\$6.3303	\$6.3303	\$6.3303	31.05%	0.00%	0.00%	\$0.0000
Average Annual Usage (Dk)	47,751	47,751	47,751	47,751				
Average Daily MDQ Usage (Dk)	7,282	8,448	8,448	7,150				
Average Annual Total Cost of Gas	\$352,314	\$331,430	\$370,613	\$365,537	3.75%	10.29%	-1.37%	(\$5,075.59)
Average Annual Total Demand Cost of Gas								\$20,950.93

Summary of Most Recent PGA

Customer Class	Commodity Change (\$/Dk)	Commodity Change (Percent)	Demand Change (\$/Dk)	Demand Change (Percent)	Demand Annual Change (\$/Dk)	Total Annual Change (\$/Dk)	Total Annual Change (Percent)
Residential	-\$0.1021	-3.03%	\$0.0574	3.97%	\$5.11	(\$3.98)	-0.57%
Commercial/Industrial Firm A	-\$0.1021	-3.03%	\$0.0574	3.97%	\$4.65	(\$3.62)	-0.51%
Commercial/Industrial Firm B	-\$0.1021	-3.03%	\$0.0574	3.97%	\$693.16	(\$539.80)	-0.66%
Commercial/Industrial Firm C	-\$0.1021	-3.03%	\$0.0574	3.97%	\$693.16	(\$539.80)	-0.66%
Large General Service	-\$0.1021	-3.03%	\$2.9302	27.35%	\$20,950.93	(\$5,075.59)	-1.37%

- (1) Does not include Demand Smoothing Adjustment.
(2) Does not reflect Decoupling Factor, GAP, Interim or GCR Factors.
(3) 2021 Rate Case - tariff values for Last Rate Case and Last Demand Charge. Reflects base rate plus CCRA (As of 11/2023 \$0.0926 per DT).
(4) Actual WACOG for historical timeframes / 2021 Rate Case Base value in Settlement.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Public Comments**

Docket No. G008/M-25-72

Dated this 16th day of **September 2025**

/s/Sharon Ferguson

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Christina	Benning	christina.benning@centerpointenergy.com	CenterPoint Energy Minnesota Gas			Electronic Service		No	M-25-72
2	Sasha	Bergman	sasha.bergman@state.mn.us		Public Utilities Commission		Electronic Service		No	M-25-72
3	Mike	Bull	mike.bull@state.mn.us		Public Utilities Commission	121 7th Place East, Suite 350 St. Paul MN, 55101 United States	Electronic Service		Yes	M-25-72
4	Melodee	Carlson Chang	melodee.carlsonchang@centerpointenergy.com	CenterPoint Energy		505 Nicollet Mall Minneapolis MN, 55402 United States	Electronic Service		No	M-25-72
5	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	M-25-72
6	Seth	DeMerritt	seth.demerritt@centerpointenergy.com	CenterPoint Energy Minnesota Gas		505 Nicollet Mall Minneapolis MN, 55402 United States	Electronic Service		No	M-25-72
7	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	M-25-72
8	Jason	Loos	jason.loos@centerpointenergy.com	CenterPoint Energy Resources Corp.		505 Nicollet Mall 3rd Floor Minneapolis MN, 55402 United States	Electronic Service		No	M-25-72
9	Stacey	Murphree	stacey.murphree@centerpointenergy.com	CenterPoint Energy Minnesota Gas			Electronic Service		No	M-25-72
10	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	M-25-72
11	Donald	Wynia	donald.wynia@centerpointenergy.com	CenterPoint Energy		CenterPoint Energy 505 Nicollet Mall Minneapolis MN, 55402 United States	Electronic Service		No	M-25-72