



August 1, 2024 Mr. Will Seuffert Executive Secretary Minnesota Public Utilities Commission 350 Metro Square Building 121 East Seventh Place, Suite 350 St. Paul, MN 55101-2147

#### Public Document Trade Secret Information has been Excised

Re: In the Matter of the Petition of CenterPoint Energy for Approval of a Recovery Process for Cost Impacts Due to February Extreme Market Conditions
Annual Compliance Filing
Docket No. G-008/M-21-138 and Docket No. G-999/M-21-135

Dear Mr. Seuffert:

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas ("CenterPoint Energy" or the "Company"), respectfully submits this filing in compliance with Order Point 15 of the Commission's February 17, 2023, in Docket No. G-008/M-21-138 Order (hereafter "Order"), summarized below.

- 2. No later than its next rate case, each gas utility in this docket shall update its existing interruptible tariffs to ensure customers understand the possibility of economic interruptions and propose new or alternative interruptible tariffs that include additional economic curtailment provisions that could protect the system from future price spikes.
- 3. If a gas utility in this docket pays prices on the daily spot market that exceed five times the average price of gas in the utility's filed purchased-gas adjustment for the current month when the gas was purchased, the utility shall make a filing to the Commission within 14 days identifying: A. Its costs for procuring gas for Minnesota customers while gas prices were inflated above this amount, B. What actions the utility took to account for or mitigate those costs, and C. Justifications for why its actions were prudent.
- 4. The gas utilities in this docket shall participate in the North American Energy Standards Board Gas/Electric Harmonization Forum and other relevant efforts to track and pursue beneficial reforms, such as improving the force majeure language in the NAESB standard contract
- 5. The gas utilities in this docket shall continue exploring the availability and cost of contracting, hedging, and supply options that would provide better protection against price spikes.
- 6. The gas utilities in this docket shall consider variations to, and explain their plans to, incorporate a greater degree of baseload purchases.
- 7. The gas utilities in this docket shall explore modifications to storage inventory management that could preserve withdrawal capabilities for later in the winter.
- 8. The gas utilities in this docket shall commit to improving their supply reserve margin practices to minimize these quantities to the greatest extent reasonable and be prepared to explain the level of their supply reserve margins in the future.
- 9. In future contract demand entitlement filings, the gas utilities in this docket shall discuss how changes to their pipeline capacity affect their supply diversity and, if pipeline capacity comes at a cost premium but increases supply diversity, provide a meaningful cost/benefit discussion of the tradeoff, including a comparison with the least-cost capacity option.

Mr. Will Seuffert August 1, 2024 Compliance Filing - Docket No. G-008/M-21-138 Page 2 of 2

- 10. Each gas utility in this docket shall include in its relevant annual, forward-looking gas planning or hedging filings: A. Its expected supply mixes across different load and weather conditions throughout each month of the upcoming winter season; B. The forecasted minimum, average, and maximum day load requirements; and C. The expected mix of baseload, storage, and spot supply on those days.
- 11. The gas utilities in this docket shall design plans that study customer responses to conservation calls.
- 12. CenterPoint shall use the circumstances of the event, the prevailing winter, and the status of its fuel inventory to inform its peak-shaving dispatch decisions.
- 14. Xcel and CenterPoint shall file dynamic proposals for calling on peaking resources that recognize that these decisions depend on the economic and situational context of the utility and the market.
- 15. By August 1 of each year, each gas utility in this docket must make an annual compliance filing that details its recent efforts and addresses parties' recommendations made in this proceeding.

Please contact me at <a href="mailto:Donald.Wynia@centerpointenergy.com">Donald.Wynia@centerpointenergy.com</a> or 612-321-4677 if you have any questions regarding this filing.

Sincerely,

/s/
Donald Wynia
Regulatory Analyst
C: Service List

Attachment

## ADDITIONAL INFORMATION

### Minn. Rule 7829.1300, Subp. 3 CenterPoint Energy

#### A. Name, Address, and Telephone Number of Utility

CenterPoint Energy Resources Corp., d/b/a/ CenterPoint Energy Minnesota Gas 505 Nicollet Mall P.O. Box 59038 Minneapolis, MN 55459-0038 (612) 372-4664

#### B. Name Address, and Telephone Number of Utility Attorney

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### C. Date of Filing and the Date the Proposed Rate or Service Change Will Take Effect

Date Filed: August 1, 2024 Effective Date: August 1, 2024

#### D. Statute Controlling Schedule for Processing the Filing

CenterPoint Energy is unaware of any statute that controls the time frame for processing this filing.

#### E. Utility Employee Responsible for Filing

/s/\_\_\_\_ Donald Wynia Regulatory Analyst (612) 321-4677

Donald.Wynia@CenterPointEnergy.com

## F. Description of the Filing, Its Impact on Rates and Services, Its Impact on Any Affected Person, and the Reasons for the Filing

CenterPoint Energy submits a detailed response to Items 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 14 as discussed in the Order.

#### G. Miscellaneous Information

CenterPoint Energy requests that the following employees be included in the service list for this proceeding.

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#### **Background Information**

CenterPoint Energy implemented the February 2021 Weather Event Gas Cost Recovery Rider surcharge effective September 1, 2021, in accordance with Order Point 7 (Docket No. G-008/M-21-138) of the Order. The Company files a quarterly compliance filing for the extraordinary cost balance recovered through the February 2021 Weather Event Gas Cost Recovery Rider surcharge.

On December 30, 2021, the Commission issued an Order Denying Rate Stabilization Plan but Extending Amortization Period in Docket No. G-008/M-21-755, approving CenterPoint Energy's extension of the amortization period for February 2021 Weather Event Gas Cost Recovery from 27 months to 63 months beginning on January 1, 2022, for all customer classes. The Company issued a Compliance Filing reflecting the revised rates on December 15, 2021.

On February 17, 2023, the Commission issued an Order (Docket No. G-008/M-21-138) that stated by August 1 of each year, each gas utility in this docket must make an annual compliance filing. The following information addresses the ordering points that are relevant to the Company.

#### February 17, 2023 Order Discussion Points

2. No later than its next rate case, each gas utility in this docket shall update its existing interruptible tariffs to ensure customers understand the possibility of economic interruptions and propose new or alternative interruptible tariffs that include additional economic curtailment provisions that could protect the system from future price spikes.

The Company filed in its 2023 rate case the requested, the information can be found in Docket No. G-008/GR-23-173. Attached in Exhibit 1 is Seth DeMerritt's Schedule 17 that reflects the Economic Curtailment Tariffs.

3. If a gas utility in this docket pays prices on the daily spot market that exceed five times the average price of gas in the utility's filed purchased-gas adjustment for the current month when the gas was purchased, the utility shall make a filing to the Commission within 14 days identifying: A. Its costs for procuring gas for Minnesota customers while gas prices were inflated above this amount, B. What actions the utility took to account for or mitigate those costs, and C. Justifications for why its actions were prudent.

On January 12, 2024, CenterPoint Energy purchased daily gas supplies to meet forecasted customer needs over the four-day weekend January 13 through January 16, 2024, at daily index prices that settled in excess of five times the average price of gas in CenterPoint Energy's filed purchased gas adjustment for January 2024.

A compliance filing was made on January 26, 2024, in Docket No. G008/M-21-138 and Docket No. G008/M-21-135. Attached as Exhibit 2 is the filing that was made on January 26, 2024.

The Company would like to request two edits to the above Order point 3. First, the Company would like to request that in addition to the "5 times the average price of gas" the statement include "and over \$25". Over the past few years, the Company has seen regular occurrences of natural gas prices around \$2 a dekatherm. Adding the \$25 stipulation would help to ensure that the Company is filing during times of extreme gas price increases.

Secondly, the Company would like to request that the above Ordering point state that the utility shall make a filing to the Commission within 14 days "after the event ends". As seen during the

2024 winter, the price spikes can last multiple days in a row. Our experts at the time of these events are busy procuring gas, making sure our customers have reliable gas while trying to stabilize pricing as well. By adjusting the above language, it will allow our experts to focus on our customers during the event. Then once it has concluded they will be able to work on analyzing all that occurred over the event and provide meaningful analysis to the Commission.

# 4. The gas utilities in this docket shall participate in the North American Energy Standards Board Gas/Electric Harmonization Forum and other relevant efforts to track and pursue beneficial reforms, such as improving the force majeure language in the NAESB standard contract.

In September 2023 the NAESB WGQ Contract Subcommittee voted to not take action, essentially ending the discussion. Subsequently, the Company worked with the American Gas Association and other utilities to inform FERC on the disappointment surrounding the process, see Exhibit 5. CenterPoint Energy will update the Commission on any new developments on this topic in subsequent annual filings.

# 5. The gas utilities in this docket shall continue exploring the availability and cost of contracting, hedging, and supply options that would provide better protection against price spikes.

CenterPoint Energy uses a diversified gas supply portfolio consisting of a combination of baseload supplies, call options, daily spot market purchases, storage, and peaking supplies which are designed to maintain reliability, while balancing price protection, stability of gas supply costs, and reasonable prices.

Post Storm Uri and as the CenterPoint Energy continues to endure natural events, the Company continues to evaluate plan modifications/enhancements to its supply plan and procurement strategies in efforts to further protect its customers from extraordinary costs due to price volatility or future market price spikes:

- Increased baseload first-of-the-month index purchases which reduced the percentage of planned supply to be met through daily/swing gas purchases;
- Ensured the Company's supply mix strategy at its primary receipt points is to be met by a blend of first-of-the-month index purchases as well as daily index purchases to better achieve price diversification.
- Acted on securing long-term hedges of 24-months beginning April 1, 2023 and will continue to evaluate these opportunities going forward;
- Received approval from the Minnesota Public Utilities Commission ("MPUC")\_to modify the structure of the hedging order to allow for more flexibility and to accommodate future customer growth in Docket G008/M-23-360.
- Adjusted Winter Season 24-25 hedging strategy to be based on a maximum hedged volume of 25% of anticipated customer load requirements;
- Continue to evaluate and explore storage opportunities whose acquisitions would further stabilize the Company's supply portfolio (i.e., East Cheyenne and ANR Pipeline Company ("ANR").

## 6. The gas utilities in this docket shall consider variations to, and explain their plans to, incorporate a greater degree of baseload purchases.

As mentioned in response to question 5, CenterPoint Energy continues to incorporate in its supply procurement increasing baseload first-of-the-month index purchases which reduce the percentage of planned supply to be met through daily/swing gas purchases. The below chart illustrates the planned increase in baseload first-of-the-month index purchases compared to planned total system purchases over the last four years:

Winter Plan Year	Baseload - Index Price (Dth)	Total System Purchases (Dth)	% of Total System Purchases
2020-2021	21,050,000	104,336,576	20%
2021-2022	28,100,000	107,636,370	26%
2022-2023	26,669,930	103,458,231	26%
2023-2024	27,145,000	102,444,522	26%

## 7. The gas utilities in this docket shall explore modifications to storage inventory management that could preserve withdrawal capabilities for later in the winter.

The Company requested a change on April 1, 2024 in Docket No. G008/M-24-146, demand rates. CenterPoint Energy requested approval of demand charges associated with the storage partnership transaction between Tenaska and East Cheyenne for firm storage services effective April 1, 2024, to March 31, 2029. East Cheyenne held an open season for 2.5 Bcf maximum storage capacity per year with max withdrawal deliverability of 30,000 Dth/day.

East Cheyenne connects to Trailblazer which then feeds into NNG. Since the Company's transportation capacity on Trailblazer is Winter Only and there is no transportation capacity currently available on Trailblazer, CenterPoint Energy would not be able to bid on this capacity solely. Tenaska brought this opportunity to CenterPoint Energy in the form of a partnership where Tenaska would hold the storage capacity with the Company's backing with the obligation to deliver the volume to CenterPoint Energy in the Winter at a mutually agreeable NNG receipt point.

The Company participated in the Ventura Xpress Project Open Season ("Project") posted by ANR Pipeline Company ("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 service from ANR storage to the Ventura interconnect on Northern Border Pipeline Company ("NBPL") via an agreement that ANR will enter into with NBPL. The Ventura interconnect is a bi-directional feed into NNG which is where the Company holds the majority of its receipt point capacity on NNG. CenterPoint Energy was awarded the full capacity out 15-years from in-service date with the earliest in-service date being April 1, 2025.

CenterPoint Energy plans to maximize the use of contract storage assets by cycling all of the available pipeline storage gas during the months of October through April. A minimum level of gas inventory (withdraw deliverability) is always carried into April to meet daily balancing needs during the coldest days, and a minimum level of storage capacity (injection capability) is left

available for the warmest days of November to manage potential long imbalance positions from firm gas purchases. CenterPoint Energy intends on practicing best efforts to hold onto its highest level of storage withdraw capability through the end of January to mid-February. January has been the month when the Company historically has experienced its peak day. Below illustrates the Company's highest level of storage withdrawal deliverability:

Pipeline/Source	Storage Capacity	Max Withdrawal Deliverability
Northern Natural Gas Company	3,291,777	57,094
Natural Gas Pipeline Company	15,823,950	210,986
Medford Underground Storage (Company Owned)	1,400,000	50,000
BP Canada Marketer Storage (NNG)	10,000,000	120,000
Tenaska Marketer Storage (East Cheyenne)	2,500,000	30,000
Total (Capacity, Max Daily Withdrawal)	33,015,727	468,080

<sup>\*</sup>The volumes represented in the chart are gross withdrawal amounts before accounting for any transportation fuel reductions.

# 8. The gas utilities in this docket shall commit to improving their supply reserve margin practices to minimize these quantities to the greatest extent reasonable and be prepared to explain the level of their supply reserve margins in the future.

CenterPoint Energy determines its planned gas supply based on the interplay of a multitude of factors and application of experience, expertise, and judgment. The factors that CenterPoint Energy considers in determining the extent to which it will acquire gas supplies in excess of its forecasted load include monthly pipeline imbalance levels, storage inventory levels, pipeline constraints and the availability of System Management Service ("SMS") balancing, potential supply cuts, and weather forecast uncertainty. Each of these factors change constantly, so while CenterPoint Energy is intentional and deliberate in determining its planned gas supply relative to its load forecast, the dynamic nature of these different factors does not lend itself to setting an exact supply reserve target for each day of the year.

CenterPoint Energy matches its gas supplies as closely as possible to forecasted load so that the Company does not procure excess gas that is not needed. On most days, the Company can closely match its gas supplies to customer load. That said, on high demand days, CenterPoint Energy aims to be slightly "long" in its gas supplies, meaning that the Company aims to procure slightly more gas than it expects is needed to ensure reliable service, make best efforts to avoid punitive imbalance penalties, cover any potential supply cuts, and ability to adjust to forecast uncertainty.

9. In future contract demand entitlement filings, the gas utilities in this docket shall discuss how changes to their pipeline capacity affect their supply diversity and, if pipeline capacity comes at a cost premium but increases supply diversity, provide a meaningful cost/benefit discussion of the tradeoff, including a comparison with the least-cost capacity option.

This information has been discussed in the Company's most recent Demand Entitlement filing submitted on April 1, 2024, in Docket No. G-008/M-24-146.

10. Each gas utility in this docket shall include in its relevant annual, forward-looking gas planning or hedging filings: A. Its expected supply mixes across different load and weather conditions throughout each month of the upcoming winter season; B. The forecasted minimum, average, and maximum day load requirements; and C. The expected mix of baseload, storage, and spot supply on those days.

CenterPoint Energy addresses its actual and forward-looking gas planning in the annual Gas Procurement Plan which will be filed during the third quarter of 2024. In September 2023, the Gas Procurement Plan was filed under Docket No. G-008/M-19-699. The 2024 filing will be filed under the new hedging variance docket number G008/M-23-360. This document can be referenced for supply purchase planning; including but not limited to, hedging plan, supply mix strategy, and expected load requirements.

## 11. The gas utilities in this docket shall design plans that study customer responses to conservation calls.

In order to stay consistent within this docket, the Company will use the parameters set forth in Item 3 of this order to determine when to initiate customer conservation calls. If the price exceeds five times the monthly WACOG and if the price exceeds \$25 the Company will initiate customer conservation calls. As soon as possible, the Company's Gas Supply department will determine the expected next day gas price, if these prices are over \$25 and 5 times the monthly WACOG proper departments within the organization will be alerted to communicate this information with customers.

The Company will alert customers via website notifications, email communications, and through our social media platforms.

To study customer response to conservation calls the Company will review models of our expected gas usage without conservation calls and compare that to what the actual usage was during the conservation call. As there are many variables that could alter our expected usage, the Company will use the usage from the most consistent weather day of the same winter season. By comparing a similar weather day, the Company will have the ability to analyze the impacts the conservation call may have had on customers based on usage. As meter technologies continue to get smarter, we expect that our studies of conservation calls will be more impactful in the future. If a customer call for conservation should occur during the 2024-2025 heating season, the Company will report our finding in the August 1, 2025, report.

The communications department will also monitor social media feedback and include such feedback in this report on August 1, 2025.

On January 12, 2024, CenterPoint Energy purchased daily gas supplies to meet forecasted customer needs over the four-day weekend January 13 through January 16, 2024, at daily index prices that settled more than five times the average price of gas in CenterPoint Energy's filed purchased gas adjustment for January 2024.

On Wednesday, January 10th, the Company sent a customer communication alerting customers of the upcoming sub-freezing temperatures that were forecasted and provided tips to save energy and stay safe, as well as payment assistance information for those who may have trouble paying their heating bills. The Company also notified leadership at the Commission, Department of Commerce (the "Department"), and Office of the Attorney General – Residential Utilities Division (the "OAG") for their awareness of the customer communications and cold weather event.

Further into the gas day of Friday, January 12th, based on market intel of where prices could settle, the Company sent a follow-up conservation message to residential, commercial, and industrial customers requesting that customers lower their thermostats to conserve energy to help limit the potential impact of higher natural gas prices on customers' bills. This message also included energy-saving tips, safety, and payment assistance information. The Company also notified leadership at the Commission, Department, and OAG for their awareness of the customer communications and cold weather event.

Examples of the communications that were sent to our customers can be found in Exhibit 3. These were also included in Docket No. G008/M-21-138 on the January 26, 2024, compliance filing.

The Company provided communications through multiple channels to raise awareness around the impact higher than anticipated natural gas prices could potentially have on customers' bills and steps customers could take to mitigate those costs. These multi-channel approaches included a news release issued to approximately 270 media contacts on January 12, 2024, to help raise awareness for customers across our service territory. This resulted in coverage from a diversity of media outlets, including television, newspapers, and radio stations.

Additionally, customer email outreach began on January 11, 2024, due to the cold snap that was taking place in Minnesota at that time. A follow-up email was distributed on January 12, 2024, to advise customers of the possibility of increased natural gas prices that could impact customers. Emails initially associated with the cold snap were sent to residential customers with email addresses on file who opted to receive emails from the Company. For the follow-up email on January 12, 2024, emails were sent to residential and commercial customers. The emails were specifically tailored to audience types and included tips on how customers could save energy and specific conservation steps customers could take. The metrics for the emails are found in the Table below:

Date Distributed	Campaign	Open Rate	Click Rate
January 11, 2024	Cold weather email for residential customers	51.29%	0.26%
January 12, 2024	Conservation email for residential customers	41.05%	0.27%
January 12, 2024	Conservation email for commercial customers	31	0.38%

As of January 12, 2024, the Company had the following subscriber count for the social media channels used to conduct outreach efforts to customers. In the case of Facebook and X, these numbers are inclusive of the Company's entire service territory and not just Minnesota customers.

For Nextdoor, posts are segmented to audiences and cover the entirety of the CenterPoint Energy service territory.

• Facebook: 59,243

 Nextdoor: Because of the way Nextdoor works, the Company does not have subscribers but can provide information across its entire service territory.

• X: 18,407

From Friday, January 12, 2024, through Tuesday, January 16, 2024, the Company posted several energy conservation and safety tips to customers. It is estimated that post impressions, or the number of times posts appeared on user screens, were as follows:

Facebook: 95,323Nextdoor: 137,425

• X: 41,470

Note: As a utility that serves customers across six states, CenterPoint Energy posts may be seen by audiences not based in Minnesota.

Examples of social media posts are below:





CenterPoint Energy @Center... • Just now Grab an extra blanket - help reduce your home's energy usage and potentially save on your heating costs this winter by setting your thermostat to 65 degrees during the day and lowering it an additional 5 degrees when you're asleep or away from home.



### **Details**

### Scheduled time

Friday, January 12 at 6:50pm



#### CenterPoint Energy V

Community Engagement Team • Just now

Brrr...the temperatures are dropping across the state over the next few days. We're ready for the colder weather and you should be too with our simple energy-saving and safety steps that can help lower heating bills, while continuing to stay safe and warm this winter:

#### Energy-saving Tips

- · Make sure your heating system is operating safely and efficiently
- · Change or clean your furnace filter regularly.
- · Turn down your thermostat.
- Keep warm air in and cold air out of your home.
- · Close window coverings and blinds.
- · Circulate warm air with your ceiling fans.

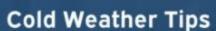
#### Safety Tips

- · Use space heaters safely.
- Test your carbon monoxide (CO) and smoke alarms to make sure they work properly.
- · Know the signs of CO poisoning.
- · Immediately report a suspected natural gas leak.

See our press release for further details: https://www.centerpointenergy.com/enus/corporate/about-us/news/1701

Stay safe and warm,

The Community Engagement Team



- Change or clean your furnace filter regularly.
- · Test your carbon monoxide (CO) & smoke alarms
- . Turn down the thermostat to save energy.
- · Make your home more airtight.





...



Brrr...the temperatures are dropping across our entire service area over the next few days. We're ready for the colder weather and you should be too with our simple energy-saving and safety steps that can help lower heating bills, while continuing to stay safe and warm this winter: https://www.centerpointenergy.com/.../about-us/news/1701



Table 1 below shows estimated daily sales for the month of January. This includes large customers that some were eventually curtailed due to system constraints. If we look at the total on Table 1, a conclusion on customer notifications could be skewed by these customers being off the system for a few days.

Table 2 removes the curtailed customers and only focuses on the system firm customers. There is no surprise that as the temperature drops the usage goes up and as the temperature begins to arise again, the usage drops. To further investigate this the Company has included the Heating Degree Days or "HDD" from the NOAA website. There is also a breakdown of therms per HDD. With this breakdown, we can see that as the temperature was at its coldest on January 14, 2024, customers used less natural gas per heating degree day than that of the surrounding days that were almost equally as cold. Although this look helps to give a better correlation between therms used and temperature, there are several factors to consider before trying to explore if the conservation calls had any impacts.

This event occurred over a holiday weekend, Martin Luther King, where people and businesses tend to have different habits than they would on any other given weekend. A larger than normal amount of people traveling over a long weekend, businesses being closed because of the holiday weekend, or even more people staying home over the long weekend due to the colder weather could manipulate the numbers.

Given the many factors over a holiday weekend and the inconsistent numbers it is hard to draw a conclusion that our customers conserved based on the notices that were sent to customers. In these early years of customer conservation calls, the most valuable information the Company receives is feedback directly from the customers, as discussed above.

As customers get more familiar with conservation calls we may start to see a larger decrease in sales. Analyzing estimated daily sales will continue to give us an idea if conservation calls have an impact in customer usage, although there will continue to be outside variables that will affect how and when our customers use natural gas. Newer technology such as smarter meters, will help to improve our analysis on customer calls.

Table 1

		System Firm	System SVI	Transport SV	System LVI	Transport LV	Total Sales	Propane	* LNG	*UG Inj/ Withdraw	Viking Towns	Pipeline Purchases	Mpls. Temp.
01/01/24	Mon	634,374	24,717	3,756	18,080	177,873	858,800	0	228	0	1,109	857,463	24.5
01/02/24	Tue	524,497	24,290	3,842	20,622	225,649	798,900	0	311	0	906	797,683	33.2
01/03/24	Wed	593,147	26,261	4,188	21,875	252,029	897,500	0	150	0	1,048	896,302	26.7
01/04/24	Thu	614,983	25,642	4,072	22,830	203,973	871,500	0	243	0	1,071	870,186	26.8
01/05/24	Fri	521,107	21,307	3,271	17,123	215,492	778,300	0	505	0	888	776,907	31.4
01/06/24	Sat	545,298	19,939	2,888	17,227	224,648	810,000	0	536	0	921	808,543	29.2
01/07/24	Sun	628,727	23,944	3,497	18,678	204,754	879,600	0	184	50,000	1,106	828,310	24.4
01/08/24	Mon	582,104	25,539	4,043	20,028	169,786	801,500	0	369	50,000	1,037	750,094	29.7
01/09/24	Tue	595,329	26,055	3,997	20,343	209,276	855,000	0	675	0	1,037	853,288	27.3
01/10/24	Wed	619,694	26,695	4,102	21,542	237,467	909,500	286	468	0	1,134	907,612	24.8
01/11/24	Thu	837,099	31,905	4,822	26,902	242,072	1,142,800	57	1,145	0	1,407	1,140,191	10.2
01/12/24		904,804	31,754	4,701	24,156	171,985	1,137,400	1,010	327	0	1,482	1,134,581	11.2
01/13/24	Sat	1,070,005	33,654	4,726	27,010	167,305	1,302,700	2,441	799	60,000	1,646	1,237,814	-2.0
01/14/24	Sun	1,102,560	37,017	5,260	30,161	204,002	1,379,000	6,977	67,323	60,000	1,810	1,242,890	-3.9
01/15/24	Mon	1,123,563	31,943	6,052	12,069	164,273	1,337,900	7,042	84,282	53,000	1,827	1,191,749	-1.3
01/16/24	Tue	996,581	31,035	5,352	5,894	153,438	1,192,300	0	13,576	53,000	1,637	1,124,087	4.5
01/17/24		923,192	34,861	5,249	31,110	262,388	1,256,800	0	165	30,000	1,568	1,225,067	7.5
01/18/24	Thu	994,125	35,582	5,268	26,713	246,612	1,308,300	0	16,799	0	1,624	1,289,877	4.2
01/19/24	Fri	1,033,647	35,413	5,003	26,339	245,198	1,345,600	0	1,015	28,000	1,651	1,314,934	1.5
01/20/24	Sat	959,039	30,684	4,005	22,643	201,529	1,217,900	0	15,494	50,000	1,515	1,150,891	5.8
01/21/24		786,980	28,285	3,957	21,069	162,109	1,002,400	0	383	0	1,274	1,000,743	19.6
01/22/24	Mon	584,993	25,251	3,869	21,985	220,402	856,500	0	240	0	1,047	855,213	29.9
01/23/24	Tue	543,858	22,976	3,641	17,961	230,264	818,700	0	234	0	1,013	817,453	31.5
01/24/24	Wed	629,382	21,202	3,282	17,745	98,389	770,000	0	451	0	837	768,712	34.1
01/25/24	Thu	610,708	19,941	3,095	19,365	94,291	747,400	185	332	0	780	746,103	35.1
01/26/24	Fri	597,880	18,191	2,684	14,679	90,466	723,900	46	207	0	750	722,897	36.2
01/27/24	Sat	634,465	17,209	2,348	14,309	84,769	753,100	0	257	0	903	751,940	32.8
01/28/24	Sun	659,088	19,105	2,787	15,302	86,918	783,200	0	352	0	891	781,957	31.0
01/29/24	Mon	408,800	24,100	5,000	2,600	185,100	625,600	0	506	0	735	624,359	38.9
01/30/24	Tue	468,700	23,500	5,000	10,200	228,500	735,900	172	478	0	762	734,488	35.5
01/31/24	Wed	362,700	24,700	5,000	11,100	242,700	646,200	0	476	0	649	645,075	34.9
Total		22,091,429	822,697	128,757	597,660	5,903,657	29,544,200	18,216	208,510	434,000	36,065	28,847,409	

TABLE 2

Date	Day	System Firm Usage	Temperature Minneapolis	<b>Heating Degree Days (HDD)</b>	Therms/HDD
1/10/2024	Wed	619,694	24.8	40	15,492
1/11/2024	Thu	837,099	10.2	47	17,811
1/12/2024	Fri	904,804	11.2	54	16,756
1/13/2024	Sat	1,070,005	-2	61	17,541
1/14/2024	Sun	1,102,560	-3.9	68	16,214
1/15/2024	Mon	1,123,563	-1.3	67	16,770
1/16/2024	Tue	996,581	4.5	62	16,074
1/17/2024	Wed	923,192	7.5	57	16,196

Interruptible customer curtailment was activated on Monday, January 15th, and Tuesday, January 16th. The customer group that was curtailed would be subjected to curtailment in either a supply shortage or for economic reasons. Additionally, some transportation customers were curtailed for operational reasons to ensure reliable deliverability of gas to firm customers. The customers that

were curtailed for operational reasons do not rely on CenterPoint Energy for supply but rather, procure their supply through third party marketers. Curtailments were lifted for Wednesday, January 17th. Curtailment of system sales customers on Monday and Tuesday allowed CenterPoint Energy to meet firm customer needs and avoid purchases of incremental daily supply.

As reported in the past AAA reports, the Company has surveyed large volume customers who used unauthorized gas during the heating season. The attached Exhibit 4 shows the feedback that was received from our customers.

The Company will continue this practice and report on our large volume interruptible customer responses in this report.

## 12. CenterPoint shall use the circumstances of the event, the prevailing winter, and the status of its fuel inventory to inform its peak-shaving dispatch decisions.

Gas Supply, Gas Control, and Peak Shaving departments work together closely to coordinate dispatch of the Company's peak shaving resources. For higher usage days, CenterPoint Energy meets customer needs by first utilizing (1) its baseload supplies, including hedged baseload, and (2) storage withdrawals, including its Company-owned underground storage. The Company then begins calling on its portfolio of available flexible supply sources, which includes daily call options and daily spot market gas purchases. If forecasted loads are above CenterPoint Energy's pipeline capacity entitlements, we will generally plan to curtail interruptible customers to bring the load forecast at or below entitlement levels. If the load forecast after curtailment is still above capacity entitlement, we then plan to add peaking supplies as needed to balance supplies with load. In addition, if the load is forecasted to exceed entitlements for a short period of time, making curtailment impractical, we may schedule peak shaving supplies to bridge and balance the peak.

CenterPoint Energy has not implemented any changes to its peak-shaving dispatch decisions strictly due to the occurrence of a designated price level the preceding trading day. However, the Company has and will evaluate going forward the need to dispatch its peak-shaving facilities on a case-by-case basis given the overall economic and situational condition of the utility and the market. An example of such decision was during January 2024.

Prior to Martin Luther King holiday weekend of 2024, forecasts started predicting a cold spell hitting over the course of the holiday weekend. Several areas of the Company's footprint experienced actual temperatures well below the 10-year average. In order to protect its customers from unpredictable supply constraints and price market risks, CenterPoint Energy took proactive measures to activate economic curtailment and dispatched its peak-shaving facilities as needed until the heightened risk of limited supply and price spikes were limited and manageable.

# 14. Xcel and CenterPoint shall file dynamic proposals for calling on peaking resources that recognize that these decisions depend on the economic and situational context of the utility and the market.

Per recommendations from CUB and the Department, CenterPoint Energy did not elect to implement a peak-shaving dispatch protocol based on any defined price threshold. The Company will continue to evaluate its dispatch decisions on a case-by-case basis taking into account current conditions of the market and utility and circumstances of the forthcoming event.

#### Conclusion

For the reasons stated above, CenterPoint Energy respectfully requests that the Commission accept this filing as meeting the expectations set forth in the Order issued February 17, 2023 under Docket No. G-008/M-21-138.

If you have questions about this filing, please contact me at (612) 321-4677 or <a href="mailto:Donald.Wynia@CenterPointEnergy.com">Donald.Wynia@CenterPointEnergy.com</a>.

Sincerely,
/s/
Donald Wynia
Regulatory Analyst, Regulatory Services
CenterPoint Energy

#### **CERTIFICATE OF SERVICE**

On Tuesday, August 1, 2024, Donald Wynia certifies that he served the attached Compliance Filing of CenterPoint Energy to all persons at the addresses indicated on the attached service list for Docket No. G-008/M-21-138 and Docket No. G-008/M-21-135 by having the document delivered via electronic filing.

/s/
Donald W. Wynia
Regulatory Analyst
CenterPoint Energy

Docket No. G008/M-21-138 Exhibit 1 Page 1 of 24 Docket No. G-008/GR-23-173 Exhibit\_\_\_\_(SSD-D) Schedule 17 Page 1 of 24

Exhibit \_\_\_ (SSD-D)

Schedule 17



Section V Fifteenth Revised Page 4 Replacing Interim Fifteenth Revised Page 4

#### SMALL VOLUME DUAL FUEL SALES SERVICE - ECONOMIC CURTAILMENT

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

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

#### Rate:

Annual Usage	Monthly Basic Charge	Delivery Charger Per Therm	Cost of Gas Per Therm
Less than 120,000 Therms	\$80.00	<u>\$0.16672</u>	<u>\$0.42905</u>
Greater than or equal to 120,000 Therms	<u>\$125.00</u>	<u>\$0.15477</u>	<u>\$0.42905</u>

#### Therm Factor Adjustment:

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

#### **Special Conditions:**

- 1) Customer must have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment. Customer further agrees to curtail the use of gas on one (1) hour's notice when requested by CenterPoint Energy. On an annual basis, the customer shall provide an annual attestation to CenterPoint Energy that it has fully functioning back-up equipment and/or the ability to curtail natural gas use when requested. The operation and functionality of the back-up equipment is the sole responsibility of the interruptible customer. Failure to maintain this equipment or failure to curtail represents a breach of the terms of interruptible service and may result in termination of the service contract.
- Customer with greater than or equal to 120,000 therms annual usage must be willing and able to curtail based on the price of natural gas commodity.

Customers who are called to, and do, curtail when the above pricing conditions occur will not be subject to extraordinary cost-recovery surcharges if an such surcharges are established to recover the cost of daily spot gas purchased during the period the economic curtailment was in effect. Customers will continue to be subject to applicable purchased gas adjustments and Annual Gas Cost Reconciliation Adjustments. Customers who do not curtail or fail to fully curtail when requested for economic purposes will be subject to all applicable surcharges imposed to recover costs incurred during the economic curtailment in addition to applicable charges for unauthorized use.

- 3) If a customer fails to discontinue use of gas within one hour of being requested to do so by CenterPoint Energy, the customer will be deemed to have taken Unauthorized Gas. The penalty for unauthorized use of gas will be:
  - a) For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$3.00 per Therm.
  - b) For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$6.00 per Therm.

Date Filed: September 30, 2022 Effective Date: February 1, 2023

Docket No: G-008/GR-21-435 Issued by: Christe Singleton, Vice President, Regional Operations MN

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Section V Nineth Revised Page 4.a Replacing Eighth Revised Page 4.a

#### SMALL VOLUME DUAL FUEL SALES SERVICE - ECONOMIC CURTAILMENT

#### (CONTINUED)

#### Special Conditions (continued):

For purposes of this provision, the gas year is the twelve-month period beginning November 1 each year. Further, CenterPoint Energy shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after being requested to do so.

- 4) Customers who purchase gas for use in their own compressor facilities for compressed natural gas motor fuel must have a dual fuel burning capability for fleet vehicles using compressed natural gas, and must have the ability to curtail the use of gas for this purpose on one (1) hour's notice when required to do so by CenterPoint Energy.
- 5) Customers must maintain three (3) current contacts to receive notice of curtailment. If the customer does not have three qualified contacts, the customer shall provide an annual attestation to CenterPoint Energy that it is unable to have three qualified contacts and the customer understands they are required to curtail service when requested. The Company will make an annual request that customers confirm that contact information.
- 6) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing service to the customer. This investment shall remain the property of CenterPoint Energy.

#### **Due Date:**

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

#### Late Payment Charge:

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

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

#### Franchise Fee:

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

#### Purchased Gas Adjustment Rider:

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

#### Conservation Improvement Adjustment Rider:

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

#### Revenue Decoupling (RD) Rider:

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

#### Supplied Meter Communication Rider:

Telemetering is required under this rate schedule. A supplied meter fee will be added to the monthly bill for customers requiring telemetry as detailed in the Supplied Meter Communication Rider, Section V, Page 29.

#### **Contract:**

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

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Section V Fourteenth Revised Page 5 Replacing Interim Fourteenth Revised Page 5

Effective Date: February 1, 2023

#### SMALL VOLUME FIRM/INTERRUPTIBLE SALES SERVICE - ECONOMIC CURTAILMENT

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

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

#### Rate:

Annual Usage	Monthly Basic Charge	Delivery Charge Per Therm	Cost of Gas Per Therm
Less than 120,000 Therms	\$80.00		
Firm Volumes		<u>\$0.18420</u>	<u>\$0.55793</u>
Interruptible Volumes		<u>\$0.16672</u>	<u>\$0.42905</u>
Greater than or Equal to 120,000 Therms	<u>\$125.00</u>		
Firm Volumes		\$0.18420	<u>\$0.55793</u>
Interruptible Volumes		<u>\$0.15477</u>	<u>\$0.42905</u>

#### **Therm Factor Adjustment:**

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

#### Special Conditions Firm Volumes:

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

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

#### Special Conditions Interruptible Volumes:

- Customer must have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment. Customer further agrees to curtail the use of gas on one (1) hour's notice when requested by CenterPoint Energy. On an annual basis, the customer shall provide an annual attestation to CenterPoint Energy that it has fully functioning back-up equipment and/or the ability to curtail natural gas use when requested. The operation and functionality of the back-up equipment is the sole responsibility of the interruptible customer. Failure to maintain this equipment or failure to curtail represents a breach of the terms of interruptible service and may result in termination of the service contract.
- For purposes of calculating any curtailment penalty, if a partial day curtailment is called, the customer's daily firm volume allotment will be prorated by, and applied to, the number of hours remaining in the gas day when the curtailment goes into effect. A partial day curtailment means a curtailment that is effective any time after 9:00 AM (Central Time).
- If a customer fails to discontinue use of gas within one hour of being requested to do so by CenterPoint Energy. the customer will be deemed to have taken Unauthorized Gas. The penalty for unauthorized use of gas will be: For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$3.00 per Therm.
  - For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$6.00 per Therm.
  - i. For purposes of this provision, the gas year is the twelve-month period beginning November 1 each year. Further, CenterPoint Energy shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after being requested to do so.

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Section V Seventh Revised Page 5.a Replacing Sixth Revised Page 5.a

#### SMALL VOLUME FIRM/INTERRUPTIBLE SALES SERVICE - ECONOMIC CURTAILMENT (CONTINUED),

#### Special Conditions Interruptible Volumes (Continued)

4) Customer with greater than or equal to 120,000 therms annual usage must be willing and able to curtail based on the price of natural gas commodity.

Customers who are called to, and do, curtail when the above pricing conditions occur will not be subject to extraordinary cost-recovery surcharges if an such surcharges are established to recover the cost of daily spot gas purchased during the period the economic curtailment was in effect.

Customers will continue to be subject to applicable purchased gas adjustments and Annual Gas Cost Reconciliation Adjustments. Customers who do not curtail or fail to fully curtail when requested for economic purposes will be subject to all applicable surcharges imposed to recover costs incurred during the economic curtailment in addition to applicable charges for unauthorized use.

5) Customers must maintain three (3) current contacts to receive notice of curtailment. If the customer does not have three qualified contacts, the customer shall provide an annual attestation to CenterPoint Energy that it is unable to have three qualified contacts and the customer understands they are required to curtail service when requested. The Company will make an annual request that customers confirm that contact information.

#### Due Date:

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

#### **Late Payment Charge:**

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

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

#### Franchise Fee:

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

#### Purchased Gas Adjustment Rider:

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

#### Gas Affordability Rider:

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

#### Conservation Improvement Adjustment Rider:

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

#### Revenue Decoupling Rider:

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

#### Supplied Meter Communication Rider:

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Section V Seventh Revised Page 5.a Replacing Sixth Revised Page 5.a

Effective Date: February 1, 2023

Telemetering is required under this rate schedule. A supplied meter fee will be added to the monthly bill for customers requiring telemetry as detailed in the Supplied Meter Communication Rider, Section V, Page 29.

#### **Contract:**

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

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Section V Fourteenth Revised Page 6 Replacing Interim Fourteenth Revised Page 6

Effective Date: February 1, 2023

#### LARGE VOLUME DUAL FUEL SALES SERVICE- ECONOMIC CURTAILMENT

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

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

#### Rate:

Monthly Basic	<u>Delivery Charge</u>	Cost of Gas
Charge	<u>Per Therm</u>	Per Therm
<u>\$1250.00</u>	<u>\$0.09103</u>	<u>\$0.42905</u>

#### **Therm Factor Adjustment:**

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

#### **Special Conditions:**

- 1) Customer must have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment. Customer further agrees to curtail the use of gas on one (1) hour's notice when requested by CenterPoint Energy. On an annual basis, the customer shall provide an annual attestation to CenterPoint Energy that it has fully functioning backup equipment and/or the ability to curtail natural gas use when requested. The operation and functionality of the back-up equipment is the sole responsibility of the interruptible customer. Failure to maintain this equipment or failure to curtail represents a breach of the terms of interruptible service and may result in termination of the service contract.
- Customer must be willing and able to curtail based on the price of natural gas commodity.
  - Customers who are called to, and do, curtail when the above pricing conditions occur will not be subject to extraordinary cost-recovery surcharges if an such surcharges are established to recover the cost of daily spot gas purchased during the period the economic curtailment was in effect. Customers will continue to be subject to applicable purchased gas adjustments and Annual Gas Cost Reconciliation Adjustments. Customers who do not curtail or fail to fully curtail when requested for economic purposes will be subject to all applicable surcharges imposed to recover costs incurred during the economic curtailment in addition to applicable charges for unauthorized use.
- If a customer fails to discontinue use of gas within one hour of being requested to do so by CenterPoint Energy, the customer will be deemed to have taken Unauthorized Gas. The penalty for unauthorized use of gas will be:
  - a. For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$3.00 per Therm.
  - For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$6.00 per Therm.

For purposes of this provision, the gas year is the twelve month twelve-month period beginning November

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

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Section V Nineth Revised Page 6.a Replacing Eighth Revised Page 6.a

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#### LARGE VOLUME DUAL FUEL SALES SERVICE - ECONOMIC CURTAILMENT (CONTINUED)

#### Special Conditions (continued):

- 3) Customers who purchase gas for use in their own compressor facilities for compressed natural gas motor fuel must have a dual fuel burning capability for fleet vehicles using compressed natural gas, and must have the ability to curtail the use of gas for this purpose on one (1) hour's notice when required to do so by CenterPoint Energy.
- 4) Customers must maintain three (3) current contacts to receive notice of curtailment. If the customer does not have three qualified contacts, the customer shall provide an annual attestation to CenterPoint Energy that it is unable to have three qualified contacts and the customer understands they are required to curtail service when requested. The Company will make an annual request that customers confirm that contact information.

#### Due Date:

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

#### Late Payment Charge:

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

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

#### Franchise Fee:

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

#### Purchased Gas Adjustment Rider:

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

#### Conservation Improvement Adjustment Rider:

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

#### Revenue Decoupling Rider:

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

#### Supplied Meter Communication Rider:

Telemetering is required under this rate schedule. A supplied meter fee will be added to the monthly bill for customers requiring telemetry as detailed in the Supplied Meter Communication Rider, Section V, Page 29.

#### Contract:

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

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Section V Eighth Revised Page 7 Replacing Interim Eighth Revised Page 7

#### LARGE VOLUME FIRM/INTERRUPTIBLE SALES SERVICE- ECONOMIC CURTAILMENT

#### Availability:

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

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

#### Rate:

Annual Usage	Monthly Basic Charge	Delivery Charge Per Therm	Cost of Gas Per Therm
	\$1,250.00		
Firm Volumes			
Demand Charge (of Billing Demand)		\$0.63303	\$0.99733
Commodity Charge (per therm)		<u>\$0.09103</u>	<u>\$0.42905</u>
Interruptible Volumes		\$0.09103	<u>\$0.42905</u>

#### **Therm Factor Adjustment:**

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

#### **Special Conditions Firm Volumes:**

1) Customer will initially elect a base level of daily firm service and may request changes on or before September 1 of each year. This base level becomes effective with the subsequent November billing month and remains in effect for one year. The minimum base level of daily firm service will be 200 therms.

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

#### Special Conditions Interruptible Volumes:

1) Customer must have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment. Customer further agrees to curtail the use of gas on one (1) hour's notice when requested by CenterPoint Energy. On an annual basis, the customer shall provide an annual attestation to CenterPoint Energy that it has fully functioning back-up equipment and/or the ability to curtail natural gas use when requested. The operation and functionality of the back-up equipment is the sole responsibility of the interruptible customer. Failure to maintain this equipment or failure to curtail represents a breach of the terms of interruptible service and may result in termination of the service contract.

2) For purposes of calculating any curtailment penalty, if a partial day curtailment is called, the customer's daily firm volume allotment will be prorated by, and applied to, the number of hours remaining in the gas day when the curtailment goes into effect. A partial day curtailment means a curtailment that is effective any time after 9:00 AM (Central Time).

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Issued by: Christe Singleton, Vice President, Regional Operations MN

Effective Date: February 1, 2023



Section V Second Revised Page 7.a Replacing First Revised Page 7.a

#### LARGE VOLUME FIRM / INTERRUPTIBLE SALES SERVICE- ECONOMIC CURTAILMENT (CONTINUED)

Special Conditions Interruptible Volumes (Continued):

3) Customer must be willing and able to curtail based on the price of natural gas commodity.

Customers who are called to, and do, curtail when the above pricing conditions occur will not be subject to extraordinary cost-recovery surcharges if an such surcharges are established to recover the cost of daily spot gas purchased during the period the economic curtailment was in effect. Customers will continue to be subject to applicable purchased gas adjustments and Annual Gas Cost Reconciliation Adjustments. Customers who do not curtail or fail to fully curtail when requested for economic purposes will be subject to all applicable surcharges imposed to recover costs incurred during the economic curtailment in addition to applicable charges for unauthorized use.

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

- a. for the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$3.00 per therm.
- b. for subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$6.00 per therm. For purposes of this provision, the gas year is the twelve-month period beginning November 1 each year.
- c. further, CenterPoint Energy shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after being requested to do so.

**Special Conditions Firm and Interruptible:** 

Customer must install telemetry equipment. Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plan investments, including telemetry equipment, required by CenterPoint Energy for providing service to the customer. This investment shall remain the property of CenterPoint Energy. Alternatively, the customer may elect service under the Supplied Meter Communication Rider (Section V, Page 29), which is a wireless cell phone based metering service.

Due Date:

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

Late Payment Charge:

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

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

Franchise Fee:

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

Purchased Gas Adjustment Rider:

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

Gas Affordability Rider:

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

Conservation Improvement Adjustment Rider:

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

Revenue Decoupling Rider:

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

Supplied Meter Communication Rider:

Telemetering is required under this rate schedule. A supplied meter fee will be added to the monthly bill for customers requiring telemetry as detailed in the Supplied Meter Communication Rider, Section V, Page 29.

Contract:

Date Filed: September 30, 2022 Docket No: G-008/GR-21-435

Issued by: Christe Singleton, Vice President, Regional Operations MN

Effective Date: February 1, 2023

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Section V Second Revised Page 7.a Replacing First Revised Page 7.a

Effective Date: February 1, 2023

<u>Customer must sign a separate contract for Firm/Interruptible Sales Service to each delivery point, with a minimum contract term of one (1) year.</u>

Date Filed: September 30, 2022 Docket No: G-008/GR-21-435

Issued by: Christe Singleton, Vice President, Regional Operations MN



Seventh Revised Page 12 Replacing Sixth Revised Page 12

#### INTERRUPTIBLE AGRICULTURAL GRAIN DRYER SALES SERVICE - ECONOMIC CURTAILMENT

#### Availability:

Service under this rate schedule or the Agricultural Grain Dryer Transport Service Schedule is required for agricultural crop dryer customers whose peak monthly consumption is greater than 1/3 of their annual consumption.

Monthly Basic Charge: When No Consumption: \$17.00 Zero Consumption Billing (ZCB) when use is

Class	<u>Criteria</u>	Monthly Basic Charge	Delivery Charge Per Therm	Cost of Gas Per Therm
Agricultural Grain Dryer Small Volume	< 200 Dth Peak Day	\$80.00	\$0.16672	<u>\$0.42905</u>
Agricultural Grain Dryer Large Volume	>200 Dth Peak Day	\$1,250.00	\$0.09103	<u>\$0.42905</u>

#### **Therm Factor Adjustment**

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

#### **Special Conditions:**

- 1) Customer may call company's customer service to convert to Zero Consumption Billing, in which case the monthly basic charge shall be reduced to \$17.00, and telemetry charges will not be billed, provided consumption is less than 10 Therms in the current bill cycle. Any consumption 10 therms or greater shall result in the applicable basic charge set forth above. Customer must contact customer service a minimum of 5 business days before returning to normal service.
- For the purposes of the Agricultural Grain Dryer Tariff, Peak Day is defined as the highest daily consumption in the last five calendar years.
- 3) Customer must have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment or be able to discontinue operations relying on natural gas during periods of curtailment. Customer further agrees to curtail the use of gas on one (1) hour's notice when requested by CenterPoint Energy. On an annual basis, Customer shall provide an annual attestation to CenterPoint Energy that it has fully functioning back-up equipment and/or the ability to curtail natural gas use when requested. The operation and functionality of the back-up equipment is the sole responsibility of the Customer. Failure to maintain this equipment or failure to curtail represents a breach of the terms of Agricultural Grain Dryer Service and may result in termination of the service contract.
- 4) If Customer fails to discontinue use of gas within one hour of being requested to do so by CenterPoint Energy, Customer will be deemed to have taken Unauthorized Gas. The penalty for unauthorized use of gas will be:
  - a. For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$3.00 per Therm.
  - For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$6.00 per Therm.

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Effective Date: February 1, 2023

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Section V Seventh Revised Page 12 Replacing Sixth Revised Page 12

## INTERRUPTIBLE AGRICULTURAL GRAIN DRYER SALES SERVICE - ECONOMIC CURTAILMENT (Con'd)

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

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

5) Customer must be willing and able to curtail based on the price of natural gas commodity.

Customers who are called to, and do, curtail when the above pricing conditions occur will not be subject to extraordinary cost-recovery surcharges if an such surcharges are established to recover the cost of daily spot gas purchased during the period the economic curtailment was in effect. Customers will continue to be subject to applicable purchased gas adjustments and Annual Gas Cost Reconciliation Adjustments. Customers who do not curtail or fail to fully curtail when requested for economic purposes will be subject to all applicable surcharges imposed to recover costs incurred during the economic curtailment in addition to applicable charges for unauthorized use.

6) Customers must maintain three (3) current contacts to receive notice of curtailment. If Customer does not have three qualified contacts, Customer shall provide an annual attestation to CenterPoint Energy that it is unable to have three qualified contacts and Customer understands they are required to curtail service when requested. The Company will make an annual request that customers confirm that contact information.

#### **Due Date:**

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

#### **Late Payment Charge:**

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

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

#### Franchise Fee:

The Franchise Fee applicable to Small Volume Dual Fuel A customers will be applicable to customers taking service on the Agricultural Grain Dryer Small Volume Class, and the Franchise Fee applicable to Large Volume Dual Fuel customers will be applicable to customers taking service on the Agricultural Grain Dryer Large Volume Class.

#### Purchased Gas Adjustment Rider:

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

#### Conservation Improvement Adjustment Rider:

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

#### Revenue Decoupling (RD) Rider:

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

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Section V Seventh Revised Page 12 Replacing Sixth Revised Page 12

<u>Supplied Meter Communication Rider:</u>
Telemetering is required under this rate schedule. A supplied meter fee will be added to the monthly bill when use exceeds 10 Therms per month for customers requiring telemetry as detailed in the Supplied Meter Communication Rider, Section V, Page 29.

#### Contract:

Customers must sign a separate contract for Agricultural Grain Dryer Service to each delivery point, with a minimum contract term of one (1) year.

Date Filed: September 30, 2022 Effective Date: February 1, 2023

Docket No: G-008/GR-21-435

Issued by: Christe Singleton, Vice President, Regional Operations MN

Docket No. G-008/GR-23-173
Exhibit\_\_\_\_(SSD-D) Schedule 17
Page 15 of 24
Section V
Proposed Original Page 16.e

#### SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE – ECONOMIC CURTAILMENT

#### **Availability:**

Available to any customer whose Peak Day requirements are less than 2,000 therms on an interruptible basis for the delivery of gas owned by the customer from a CenterPoint Energy Town Border Station(s) to a meter location on the customer's premise. Delivery is contingent on adequate distribution system capacity. Customers that use, for reasons of price, an alternative energy supply (other than biomass energy) may be limited to gas service under the Market Rate Service Rider for a period of one (1) year.

#### Rate:

Annual Usage	Monthly Basic Charge	<u>Delivery Charge</u> <u>Per Therm</u>
Less than 120,000 Therms	<u>\$180.00</u>	<u>\$0.17777</u>
Equal to or Greater than 120,000 Therms	<u>\$255.00</u>	<u>\$0.16230</u>

#### **Special Conditions:**

- 1) Customer must have arranged for the purchase of gas other than CenterPoint Energy's pipeline supply for its delivery to a CenterPoint Energy Town Border Station(s).
- 2) Customer will provide CenterPoint Energy's Transportation Services Department in writing (by facsimile) with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.
- 3) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, required by CenterPoint Energy for providing Transportation Services to the customer. This investment shall remain the property of CenterPoint Energy.
- 4) Customer must have and maintain adequate standby facilities and have available sufficient fuel supply to maintain operations during periods of curtailment. On an annual basis, the customer shall provide an attestation to CenterPoint Energy that it has fully functioning back-up equipment and/or the ability to curtail natural gas use when requested. The operation and functionality of the back-up equipment is the sole responsibility of the interruptible customer. Failure to maintain this equipment or failure to curtail represents a breach of the terms of interruptible service and may result in termination of the service contract.
- 5) Customer agrees to curtail the use of gas transported hereunder, within one (1) hour when requested by CenterPoint Energy.
- 6) Customers with greater than or equal to 120,000 therms annual usage must be willing and able to curtail based on the price of the natural gas commodity.

  Customers who are called to curtail, and do curtail, when the above-described pricing conditions occur, will not be subject to extraordinary cost-recovery surcharges in the event such surcharges are established to recover the cost of daily spot gas purchased during the period Economic Curtailment was in effect. Customers will continue to be subject to applicable Purchased Gas Adjustments ("PGA") and Annual Gas Cost Reconciliation Adjustments. Customers who do not curtail or fail to curtail fully upon request during Economic Curtailment will be subject to all applicable charges for Unauthorized Gas as described in this Tariff.
- 7) Customers must maintain three (3) current contacts to receive notice of curtailment. If the customer does not have three qualified contacts, the customer shall provide an annual attestation to CenterPoint Energy that it is unable to have three qualified contacts and the customer understands they are required to curtail service when requested. The Company will make an annual request that customers confirm that contact information.

#### **Therm Factor Adjustment:**

<u>Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit (60°F).</u>

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Docket No. G-008/GR-23-173
Exhibit\_\_\_\_\_(SSD-D) Schedule 17
Page 16 of 24
Section V
Proposed Original Page 16.f

## SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE - ECONOMIC CURTAILMENT (CONTINUED)

#### **Nomination:**

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

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

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

#### Balancing:

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

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

#### Daily Balancing

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

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

Date Filed: November 1, 2023 Effective Date:

Docket No. G-008/GR-23-173
Exhibit\_\_\_\_(SSD-D) Schedule 17
Page 17 of 24
Section V
Proposed Original Page 16.g

## SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE - ECONOMIC CURTAILMENT (CONTINUED)

- 2) Non-SUL/SOL/CRITICAL DAYS When a customer's scheduled deliveries to the company differ from daily consumption within a tolerance of +/- 5%, or contracted balancing tolerance, scheduling charges will be applied to the volume exceeding tolerance equal to the maximum Northern Natural Gas Company's Interruptible Transportation ("TI") rate per therm for the customer's market area.
- 5) SUL Days On days in which Northern Natural Gas Company declares a System Under run Limitation (SUL), the five percent (5%) daily imbalance tolerance will be suspended and a daily charge of \$0.10 per therm for each therm of consumption less than the confirmed nomination will be charged. If consumption is greater than the confirmed nomination, there is no charge.
- 6) SOL Days On days in which Northern Natural Gas Company declares a System Overrun Limitation (SOL), the 5% of daily imbalance tolerance will be suspended and daily charges for each therm of consumption greater than the confirmed nomination will apply as follows:
  - c. For consumption up to one hundred five percent (105%) of confirmed nomination, \$0.10 per therm.
  - d. For consumption greater than 105% of confirmed nomination, \$1.090 per therm. If consumption is less than the confirmed nomination, there is no charge.
- 7) Critical Days On days in which Northern Natural Gas Company declares a Critical Day, a charge equal to the Daily Delivery Variance Charge "DDVC") of the pipeline will apply to those volumes in excess of the confirmed nomination level. Currently this charge is as much as \$11.30 per therm.

Customers transporting into CenterPoint Energy's system on pipelines other than Northern Natural Gas will be subject to daily imbalance tolerances and fees as specified in those pipeline's FERC approved Tariffs, in lieu of the tolerances and fees specified above. As Northern revises this Rate Schedule, the company's rate will be adjusted accordingly after receiving Commission approval.

#### Monthly Balancing:

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

4) For negative imbalances on Northern Natural Gas Pipeline - when a customer's monthly consumption exceeds total deliveries to CenterPoint Energy for that customer by more than two percent (2%), the excess usage will be billed to the customer at one hundred twenty percent (120%) of the monthly index price plus transportation charges. The monthly index price shall equal the average daily price reported in Platts Gas Daily for deliveries into Northern Natural Gas Pipeline at Ventura. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline Tariffs for interruptible Transportation Service. For negative imbalances less than or equal to two percent (2%), the excess usage will be billed at one hundred percent (100%) of the monthly index price plus transportation charges.

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Docket No. G-008/GR-23-173
Exhibit\_\_\_\_(SSD-D) Schedule 17
Page 18 of 24
Section V
Proposed Original Page 16.h

## SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE - ECONOMIC CURTAILMENT (CONTINUED)

- 5) For positive imbalances on Northern Natural Gas Pipeline when a customer's total monthly deliveries exceed customer's monthly consumption by more than two percent (2%), the dollar value of the excess gas deliveries will be credited to the customer's account at eighty percent (80%) of the monthly Index price plus transportation charges. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline Tariffs for firm Transportation Service. For positive imbalances less than or equal to two percent (2%), the excess usage will be credited at one hundred percent (100%) of the monthly index price plus transportation charges.
- 6) Customers transporting into CenterPoint Energy's system on Viking Pipeline will be subject to monthly imbalance tolerances and fees as specified in that pipeline's FERC approved Tariffs, in lieu of the tolerances and fees specified above. The monthly index price shall equal the average daily price reported for deliveries into Emerson.

When an imbalance occurs due to curtailment and the customer's gas continues to be delivered by the pipeline, CenterPoint Energy will apply the positive imbalance to the customer's account for redelivery at a later date. Such volumes will not be subject to Daily Balancing Fees, but will be subject to Monthly Balancing Fees if the imbalance is not eliminated by the end of the month.

#### **Penalty for Unauthorized Gas Use:**

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

- 3) For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$3.00 per therm.
- 4) For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$6.00 per therm.

For purposes of this provision, the gas year is the twelve-month period beginning November 1 each year. Further, CenterPoint Energy shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after being requested to do so.

#### Due Date:

The Due Date printed on customer bills will not be more than five (5) days before the next scheduled billing date. However, customers who have selected the AutoPay option may select a Due Date which is greater than five (5) days before the next scheduled billing date.

#### Late Payment Charge:

<u>Delinquent amounts are subject to a Late Payment Charge of 1.5% or \$1.00, whichever is greater. No Late Payment Charge will be applied if the delinquent amount is \$10.00 or less.</u>

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

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Docket No. G-008/GR-23-173
Exhibit\_\_\_\_(SSD-D) Schedule 17
Page 19 of 24
Section V

Proposed Original Page 16.i

## SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE - ECONOMIC CURTAILMENT (CONTINUED)

#### **Franchise Fee:**

A Franchise Fee will be added to the monthly bill computed at this Rate Schedule for those communities that impose a franchise fee.

#### **Conservation Improvement Adjustment Rider:**

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

#### **Revenue Decoupling Rider:**

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

#### February 2021 Weather Event Gas Cost Recovery Rider:

The February 2021 Weather Event Gas Cost Recovery Rider, Section V, page 27 – 27.a, applies to customers taking service under this rate that were taking sales service at any point from February 13-17, 2021.

#### **Supplied Meter Communication Rider:**

Telemetering is required under this Rate Schedule. A supplied meter fee will be added to the monthly bill for customers requiring telemetry as detailed in the Supplied Meter Communication Rider, Section V, Page 29.

#### **Contract:**

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

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

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Docket No. G-008/GR-23-173
Exhibit\_\_\_\_(SSD-D) Schedule 17
Page 20 of 24
Section V
Proposed Original Page 18.e

#### LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE - ECONOMIC CURTAILMENT

#### **Availability:**

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

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

#### Rate:

	Monthly Basic Charge	<u>Delivery Cha</u> Per Thern	
<u>\$1,650.00</u>		<u>\$0.09763</u>	_

#### **Special Conditions:**

- 1) Customer must have arranged for the purchase of gas other than CenterPoint Energy's pipeline supply and for its delivery to a CenterPoint Energy Town Border Station(s).
- 2) Customer will provide CenterPoint Energy's Transportation Services Department in writing (by facsimile) with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.
- 3) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments required by CenterPoint Energy for providing Transportation Services to the customer. This investment shall remain the property of CenterPoint Energy.
- 4) Customer must have and maintain adequate standby facilities and have available sufficient fuel supply to maintain operations during periods of curtailment. On an annual basis, the customer shall provide an annual attestation to CenterPoint Energy that it has fully functioning back-up equipment and/or the ability to curtail natural gas use when requested. The operation and functionality of the back-up equipment is the sole responsibility of the interruptible customer. Failure to maintain this equipment or failure to curtail represents a breach of the terms of interruptible service and may result in termination of the service contract.
- 5) Customer agrees to curtail the use of gas transported hereunder, within one (1) hour when requested by CenterPoint Energy.
- 6) Customers must be willing and able to curtail based on the price of the natural gas commodity.
  - Customers who are called to curtail, and do curtail, when the above-described pricing conditions occur, will not be subject to extraordinary cost-recovery surcharges in the event such surcharges are established to recover the cost of daily spot gas purchased during the period Economic Curtailment was in effect. Customers will continue to be subject to applicable Purchased Gas Adjustments ("PGA") and Annual Gas Cost Reconciliation Adjustments. Customers who do not curtail or fail to curtail fully upon request during Economic Curtailment will be subject to all applicable charges for Unauthorized Gas as described in this Tariff.
- 7) Customers must maintain three (3) current contacts to receive notice of curtailment. If the customer does not have three qualified contacts, the customer shall provide an annual attestation to CenterPoint Energy that it is unable to have three qualified contacts and the customer understands they are required to curtail service when requested. The Company will make an annual request that customers confirm that contact information.

#### **Therm Factor Adjustment:**

<u>Customer metered usage will be adjusted to reflect the following: 1,000 Btu per cubic foot, base pressure</u> of 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit (60°F).

Date Filed: November 1, 2023 Effective Date:

Docket No. G-008/GR-23-173
Exhibit\_\_\_\_(SSD-D) Schedule 17
Page 21 of 24
Section V
Proposed Original Page 18.f

## <u>LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE - ECONOMIC CURTAILMENT</u> (CONTINUED)

#### Nomination:

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

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

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

#### **Balancing:**

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

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

#### Daily Balancing:

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

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

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Docket No. G-008/GR-23-173
Exhibit\_\_\_\_(SSD-D) Schedule 17
Page 22 of 24
Section V
Proposed Original Page 18.g

## <u>LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE - ECONOMIC CURTIALMENT</u> (CONTINUED)

- 3) Non-SUL/SOL/CRITICAL DAYS When a customer's scheduled deliveries to the company differ from daily consumption within a tolerance of five percent (+/- 5%), or contracted balancing tolerance, scheduling charges will be applied to the volume exceeding tolerance equal to the maximum Northern Natural Gas Company's Interruptible Transportation ("TI") rate per therm for the Customer's market area.
- 4) 2) SUL Days On days in which Northern Natural Gas Company declares a System Under run Limitation (SUL), the five percent (5%) daily imbalance tolerance will be suspended and a daily charge of \$0.10 per therm for each therm of consumption less than the confirmed nomination will be charged. If consumption is greater than the confirmed nomination, there is no charge.
- 5) SOL Days On days in which Northern Natural Gas Company declares a System Overrun Limitation (SOL), the five percent (5%) of daily imbalance tolerance will be suspended and daily charges for each therm of consumption greater than the confirmed nomination will apply as follows:
  - c. For consumption up to one hundred five percent (105%) of confirmed nomination, \$0.10 per therm.
  - d. For consumption greater than one hundred five percent (105%) of confirmed nomination, \$1.090 per therm. If consumption is less than the confirmed nomination, there is no charge.
- 6) Critical Days On days in which Northern Natural Gas Company declares a Critical Day, a charge equal to the Daily Delivery Variance Charge ("DDVC") of the pipeline will apply to those volumes in excess of the confirmed nomination level. Currently this charge is as much as \$11.30 per therm.

Customers transporting into CenterPoint Energy's system on pipelines other than Northern Natural Gas will be subject to daily imbalance tolerances and fees as specified in those pipeline's FERC approved Tariffs, in lieu of the tolerances and fees specified above. As Northern revises this Rate Schedule, the company's rate will be adjusted accordingly after receiving Commission approval.

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Docket No. G-008/GR-23-173
Exhibit\_\_\_\_(SSD-D) Schedule 17
Page 23 of 24
Section V
Proposed Original Page 18.h

## <u>LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE - ECONOMIC CURTAILMENT</u> (CONTINUED)

#### **Monthly Balancing:**

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

- 1) For negative imbalances on Northern Natural Gas Pipeline when a customer's monthly consumption exceeds total deliveries to CenterPoint Energy for that customer by more than two percent (2%), the excess usage will be billed to the customer at one hundred twenty percent &(120%) of the monthly index price plus transportation charges. The monthly index price shall equal the average daily price reported in Platts Gas Daily for deliveries into Northern Natural Gas Pipeline at Ventura. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline Tariffs for Interruptible Transportation Service.
- 2) For negative imbalances less than or equal to two percent (2%), the excess usage will be billed at one hundred percent (100%) of the monthly index price plus transportation charges.
- 3) For positive imbalances on Northern Natural Gas Pipeline when a customer's total monthly deliveries exceed customer's monthly consumption by more than two percent (2%), the dollar value of the excess gas deliveries will be credited to the customer's account at eighty percent (80%) of the monthly Index price plus transportation charges. Transportation charges shall equal the commodity transportation charge as published in Northern Natural Gas Pipeline Tariffs for Firm Transportation Service. For positive imbalances less than or equal to two percent (2%), the excess usage will be credited at one hundred percent (100%) of the monthly Index price plus transportation charges.
- 4) Customers transporting into CenterPoint Energy's system on Viking Pipeline will be subject to monthly imbalance tolerances and fees as specified in that pipeline's FERC approved Tariffs, in lieu of the tolerances and fees specified above. The monthly index price shall equal the average daily price reported for deliveries into Emerson.
- 5) When an imbalance occurs due to curtailment and the customer's gas continues to be delivered by the pipeline, CenterPoint Energy will apply the positive imbalance to the customer's account for re-delivery at a later date. Such volumes will not be subject to Daily Balancing Fees, but will be subject to Monthly Balancing Fees if the imbalance is not eliminated by the end of the month.

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Docket No. G-008/GR-23-173
Exhibit\_\_\_\_(SSD-D) Schedule 17
Page 24 of 24
Section V
Proposed Original Page 18.i

## <u>LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE - ECONOMIC CURTAILMENT</u> (CONTINUED)

#### **Penalty for Unauthorized Gas Use:**

If a customer fails to discontinue use of gas within one (1) hour of being requested to do so by CenterPoint Energy, the customer will be deemed to have taken Unauthorized Gas. The penalty for Unauthorized Use of Gas will be:

- 1) For the first occurrence of the gas year: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$3.00 per therm.
- 2) For subsequent occurrences: the prevailing delivery charge plus the highest incremental supply cost for the day plus \$6.00 per therm.

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

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

#### **Due Date:**

The Due Date printed on customer bills will not be more than five (5) days before the next scheduled billing date. However, customers who have selected the AutoPay option may select a Due Date which is greater than five (5) days before the next scheduled billing date.

#### Late Payment Charge:

<u>Delinquent amounts are subject to a Late Payment Charge of 1.5% or \$1.00, whichever is greater. No Late Payment Charge will be applied if the delinquent amount is \$10.00 or less.</u>

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

#### Franchise Fee:

A Franchise Fee will be added to the monthly bill computed at this Rate Schedule for those communities that impose a Franchise Fee.

#### **Conservation Improvement Adjustment Rider:**

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

#### **Revenue Decoupling Rider:**

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

#### February 2021 Weather Event Gas Cost Recovery Rider:

The February 2021 Weather Event Gas Cost Recovery Rider, Section V, pages 27–27.a, applies to customers taking service under this rate that were taking sales service at any point from February 13-17, 2021.

#### **Supplied Meter Communication Rider:**

Telemetering is required under this Rate Schedule. A supplied meter fee will be added to the monthly bill for customers requiring telemetry as detailed in the Supplied Meter Communication Rider, Section V, Page 29.

#### **Contract:**

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

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

Date Filed: November 1, 2023 Effective Date:

Mr. Will Seuffert January 26, 2024 Page 1 of 15 Docket No. G008/M-21-138 Exhibit 2 Page 1 of 15



505 Nicollet Mall PO Box 59038 Minneapolis, MN 55459-0038

January 26, 2024

Mr. Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
350 Metro Square Building
121 East Seventh Place, Suite 350
St. Paul, MN 55101-2147

Re: In the Matter of the Petition of CenterPoint Energy for Approval of a Recovery Process for Cost Impacts Due to February Extreme Market Conditions – Compliance Filing Docket No. G-008/M-21-138

Docket No. G-999/M-21-135

Dear Mr. Seuffert:

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas ("CenterPoint Energy" or the "Company"), respectfully submits this filing in compliance with Order Point 3 of the Minnesota Public Utilities Commission's (the "Commission's") February 17, 2023 Order Requiring Actions to Mitigate Impacts from Future Natural Gas Price Spikes, Setting Filing Requirements, and Initiating a Proceeding to Establish Gas Resource Planning Requirements in Docket No. G-008/M-21-138 Order (hereafter "Order"), summarized below.

3. If a gas utility in this docket pays prices on the daily spot market that exceed five times the average price of gas in the utility's filed purchased-gas adjustment for the current month when the gas was purchased, the utility shall make a filing to the Commission within 14 days identifying: A. Its costs for procuring gas for Minnesota customers while gas prices were inflated above this amount, B. What actions the utility took to account for or mitigate those costs, and C. Justifications for why its actions were prudent.

On January 12, 2024, CenterPoint Energy purchased daily gas supplies to meet forecasted customer needs over the four-day weekend January 13 through January 16, 2024 at daily index prices that settled in excess of five times the average price of gas in CenterPoint Energy's filed purchased gas adjustment for January 2024. CenterPoint Energy submits this compliance filing in compliance with Order Point 3 of the Commission's Order.

A. Its costs for procuring gas for Minnesota customers while gas prices were inflated above this amount.

The costs shown below are considered an estimate and the best available information CenterPoint Energy has until cost actualization occurs. This includes only the supply component of its costs not inclusive of pipeline commodity, demand, transportation, cashout, and/or penalties.

CERC Minnesota Supply Design Day 1,500,450	GD 13	GD 14	GD 15	GD 16	Total Vols (Dth) Jan 13th-16th	% of Total Supply	Avg Price	Total Cost
HDD = 90	HDD = 61	HDD = 68	HDD = 70	HDD = 63		Jan 13th-16th		
Forecast	1,132,674	1,177,331	1,132,446	1,003,996	4,446,447			
Baseload Supply (FOM/Hedge)	480,701	439,243	441,384	438,155	1,799,483	39%	\$ 3.91	\$ 7,044,094
Storage	394,057	435,707	426,845	383,986	1,640,595	36%	\$ 2.36	\$ 3,871,157
Peaking - LNG	799	67,323	84,282	13,576	165,980	4%	\$ 3.07	\$ 509,691
Peaking - Propane	2,441	6,977	7,042	-	16,460	0%	\$ 9.08	\$ 149,519
Gas Daily Supply	250,369	247,014	226,649	245,829	969,861	21%	\$ 36.50	\$ 35,400,603
Total Supply	1,128,367	1,196,264	1,186,202	1,081,546	4,592,379		\$ 10.23	\$ 46,975,064

B. What actions the utility took to account for or mitigate those costs.

When stepping into the possibility of a weather event which could impact CenterPoint Energy's customers from a system operation or gas cost perspective, the Company applies this four-action approach to the supply decision making process:

#### Prepare . Execute . Adjust . Inform

- Prepare Analyze what is expected from the event and what supply tools the Company has available to provide safe and reliable service at a reasonable price.
- Execute Follow through with execution of dispatch of supply plan as prepared.
- Adjust Have the flexibility to adjust as needed to any change in prepared plan, whether in response to forecast changes, supply shortages, system limitations, pipeline outages, inflation in prices, etc.
- Inform Ensure internal and external communication is clear and effective before, during and after the event.

Upon recognition of a potential weather event, CenterPoint Energy proactively begins strategizing on its supply plan. This includes, but not limited to, collaborative efforts across the Company's subject matter experts from various departments. Daily supply plan meetings are held with the internal Company departments below on a routine basis during the heating season and as frequently as needed during a winter event.

- Gas Supply Reviews storage inventory levels and current ratchets, estimates
  what additional supply is going to be needed to cover the estimated forecast usage
  for the event, obtains market intel from Platts, suppliers, and pipelines for any
  insight as to what pricing could possibly do, supply availability and anticipated
  service interruptions.
- Gas Control Consistently monitors the system's operations and updates the forecast usage as needed, takes lead on monitoring daily imbalance position and relaying any change in forecasted usage which might require supply adjustments, and activates curtailment as needed either for system needs or economic purposes.
- Forecasting Routinely updates forecast usage through weather event and relays to the appropriate departments.
- Company Gas Storage/Peak Shaving On standby to dispatch services and provide updates on potential deliverability.
- Transportation Issues notifications to transportation customers of the importance of being in balance with receipts and deliveries, monitors these nominations, and on standby to help with activating curtailment as needed.

#### Docket No. G008/M-21-138 Exhibit 2 Page 3 of 15

- Regulatory Plays a critical role in ensuring regulatory requirements are met and assists with responding to state commission requests before, during and after the event.
- Customer Communications Issues public releases to CenterPoint Energy's customers to help prepare for the event, updates as the Company navigates through the event, and tips to best ensure how to sustain safe and reliable service.
   Please see attachments of customer communication.

To highlight specific actions the Company carried out over the winter event to help mitigate costs were as follows:

- Inventories in CenterPoint Energy's storage assets were at their highest withdrawal deliverability. As the forecast allowed for it with balancing the weekend temperature swings, the Company dispatched as much storage as possible.
- The Company was able to limit its exposure to the gas daily market to approximately 21% of total supply needed.
- 43% of the gas daily volumes were tied to Gas Daily Call Options (secured during the Winter Heating Season auction prior to the start of the 2023-2024 heating season) which protected the price from any volatility in the premiums associated with the gas daily price.
- First-of-the-month Call Option (secured during the Winter Heating Season auction prior to the start of the 2023-2024 heating season) was dispatched which protected the price from any volatility in the daily market and the premiums associated with the gas daily price.
- The Company secured approximately 26 Bcf of physical hedged supply going into this heating season. Physical hedges along with storage withdrawal deliverability helps the Company achieve its desired stabilization percent of greater than or equal to 50% based on normal forecasted usage.
- The Company called upon LNG and propane peaking services to balance supply needed over the holiday weekend and/or to assist with supply reductions.
- Due to a Force Majeure called by Northern Border Pipeline, CenterPoint Energy started seeing impacts to supply at Ventura beginning on Sunday, January 14<sup>th</sup>. Scheduling reductions were monitored cycle by cycle and the Company took appropriate action to replace the gas as needed in order to avoid further exposure to the daily market and to avoid potential pipeline penalties on a Critical Day. These actions included calling on additional LNG and propane peaking services and activating customer curtailments.
- The Company was able to successfully utilize its supply tools, including peak shaving and interruptible curtailments, to refrain from having to purchase same day supply. Although no same day supply was purchased, suppliers were concerned that supply would not flow and prices would be at an extremely high cost.
- On Wednesday, January 10<sup>th</sup>, the Company sent a customer communication alerting customers of the upcoming sub-freezing temperatures that were forecasted and provided tips to save energy and stay safe, as well as payment assistance information for those who may have trouble paying their heating bills. The Company also notified leadership at the Commission, Department of Commerce (the "Department"), and Office of the Attorney General Residential Utilities Division (the "OAG") for their awareness of the customer communications and cold weather event.

- On the morning of Friday, January 12<sup>th</sup>, the Platts Gas Daily settlements for NNG-Ventura (\$3.165) and NNG-Demarc (\$3.075) had not reached the levels justifying a call for economic curtailment, and the Company decided to not activate economic curtailment for the weekend based on the knowable information at the time.
- Further into the gas day of Friday, January 12<sup>th</sup>, based on market intel of where prices could settle, the Company sent a follow-up conservation message to residential, commercial, and industrial customers requesting that customers lower their thermostats to conserve energy to help limit the potential impact of higher natural gas prices on customers' bills. This message also included energy-saving tips, safety and payment assistance information. The Company also notified leadership at the Commission, Department, and OAG for their awareness of the customer communications and cold weather event.
- Interruptible customer curtailment was activated on Monday, January 15<sup>th</sup>, and Tuesday, January 16<sup>th</sup>. The customer group that was curtailed would be subjected to curtailment in either a supply shortage or for economic reasons. Additionally, some transportation customers were curtailed for operational reasons to ensure reliable deliverability of gas to firm customers. The customers that were curtailed for operational reasons do not rely on CenterPoint Energy for supply but rather, procure their supply through third party marketers. Curtailments were lifted for Wednesday, January 17<sup>th</sup>. Curtailment of system sales customers on Monday and Tuesday allowed CenterPoint Energy to meet firm customer needs and avoid purchases of incremental daily supply.

#### C. Justifications for why its actions were prudent.

CenterPoint Energy's supply dispatch decisions prior to and during the winter event were reasonable based on the known or knowable information available at the time and therefore prudent. The below chart represents an estimate of costs that were avoided through the Company's use of baseload hedges and storage supplies. This estimate illustrates an overall total cost mitigation of \$77.9 million.

CERC Minnesota Supply	Volume	Avg Price		Total Cost		Cost Avg Pric			Total Cost				
Customer Savings Comparison		Without He			edging Products		ging Products		ging Products		With Hedg	ing	Products
Baseload Physical Hedge	957,465	\$	33.31	\$	31,888,372	\$	5.00	\$	4,789,403				
Storage	1,640,595	\$	33.31	\$	54,640,016	\$	2.36	\$	3,871,157				
Total/Avg Price	2,598,060	\$	33.31		86,528,388	\$	3.33		8,660,560				
					Savings	Tota	al Cost	\$	(77,867,828)				
						Avg	Price	\$	(29.97)				

<u>Note</u>: The \$33.31 price used is the average of NNG-Ventura (\$35.375) and NNG-Demarc (\$31.235) for the weekend. The majority of CenterPoint Energy's capacity on the Northern Natural Gas pipeline are held at these price points.

Utilities seek to minimize total gas costs while ensuring reliability of the gas supply, which sometimes involves trade-offs. The supply plan, along with meticulous decisions made by CenterPoint Energy over the course of the winter event ultimately helped mitigate the costs incurred to provide service to customers while maintaining the safety of customers during an extended sub-zero weather event, reliable service without outages across the Company's Minnesota footprint, and ensuring system integrity. Not only were the decisions prudent they resulted in significant customer savings.

Mr. Will Seuffert January 26, 2024 Page 5 of 15 Docket No. G008/M-21-138 Exhibit 2 Page 5 of 15

Please contact me at <a href="Donald.Wynia@centerpointenergy.com">Donald.Wynia@centerpointenergy.com</a> or 612-321-4677 if you have any questions regarding this filing.

Sincerely,

/s/ /s/ /s/

Donald Wynia Jason Loos Emily Suppes

Regulatory Analyst Associate General Counsel Director, Regulatory

#### **CERTIFICATE OF SERVICE**

On Friday, January 26, 2024, Donald Wynia certifies that he served the attached Compliance Filing of CenterPoint Energy to all persons at the addresses indicated on the attached service list for Docket No. G-008/M-21-138 and Docket No. G-999/M-21-135 by having the document delivered via electronic filing.

/s/

Donald W. Wynia Regulatory Analyst CenterPoint Energy

# CenterPoint Energy encourages Minnesota customers to lower thermostats to conserve energy during the extreme cold

**Minneapolis – Jan. 12, 2024 –** In response to rising demand for natural gas due to the extreme cold across much of the country, CenterPoint Energy is encouraging its Minnesota customers to temporarily lower their thermostat settings to help conserve energy and save money.

At least through Tuesday, Jan. 16, 2024, CenterPoint Energy is asking its customers, if possible, to reduce their thermostat settings to 65 degrees during the day when they are at home and lower the setting an additional 5 degrees when they are asleep or away from home. This energy conservation step can help limit the impact of higher natural gas prices on customers' bills as CenterPoint Energy continues to provide safe and reliable service.

CenterPoint Energy buys and stores a substantial portion of its natural gas supply before the winter heating season. However, additional purchases must be made in the daily market to meet increased customer demand during cold weather. The price that CenterPoint Energy pays for natural gas is the same price charged to customers, with no markup or profit to the utility.

CenterPoint Energy offers these additional energy-saving tips for customers:

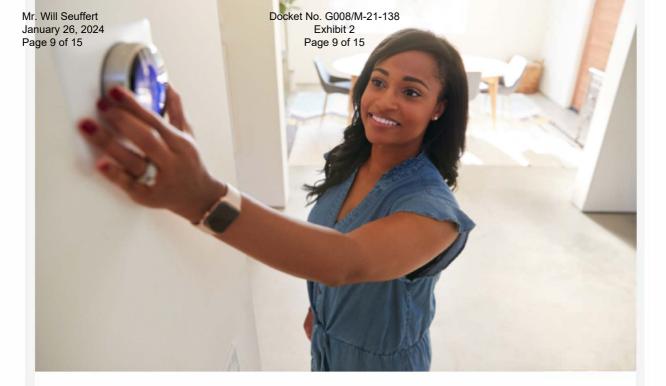
- Check your furnace filter. Change or clean the filter to maximize the efficiency of your furnace.
- Close window coverings and blinds. This will help insulate against the cold air outside.
- Keep warm air in and cold air out of your home. Use caulk or weatherstripping to seal leaks around doors, windows and other openings such as pipes or ducts. You can also roll up towels and push them against the bottom of the door's interior to help prevent heat loss. Close fireplace dampers when not in use, so you don't lose heat.
- Lower the temperature setting on your water heater by 10 degrees. Limit your use of hot water.
- Check the CenterPoint Energy website for more energy-saving tips at CenterPointEnergy.com/EnergySavingTips.

CenterPoint Energy also wants to provide a safety reminder to customers if they suspect a natural gas leak. If you smell the "rotten egg" odor of natural gas, immediately leave on foot, go to a safe location and call both 911 and CenterPoint Energy at 800-296-9815. Don't use electric switches/outlets, phones (including cell phones), drive or start a car inside or close to the location or do anything that could cause a spark.

Customers who believe they may have trouble paying their heating bills this winter should contact CenterPoint Energy to set up a payment arrangement. Customers can also contact CenterPoint Energy to discuss if they are eligible for energy assistance programs to help pay their bills. To learn more, visit CenterPointEnergy.com/PaymentAssistance.

Mr. Will Seuffert January 26, 2024 Page 8 of 15 Docket No. G008/M-21-138 Exhibit 2 Page 8 of 15

CenterPoint Energy is Minnesota's largest natural gas utility, serving the energy needs of more than 910,000 residential and business customers.



# Lowering your thermostat could help you save energy and money.

As we prepare for the impact of the winter weather and the rising demand for natural gas, we are asking that you temporarily lower your thermostat to conserve energy and save money from now through at least Tuesday, Jan. 16. Setting your thermostat to 65 degrees and lowering it an additional 5 degrees when away from home, or asleep, will help reduce the impact on your energy bill.

If you believe you may have trouble paying your bill, please contact us to set up a payment arrangement and discuss if you're eligible for available energy assistance programs. Learn more at <a href="CenterPointEnergy.com/PaymentAssistance">CenterPointEnergy.com/PaymentAssistance</a>. As a reminder, the price CenterPoint Energy pays for natural gas is the same price charged to customers – with no markup.

### Quick tips:

- Run your ceiling fan clockwise on a low setting.
- Prevent air leaks by checking and repairing all cracked, separated or missing exterior caulking and weather stripping, especially around windows and entry doors, as well as checking roof and soffit vents for possible air-flow obstructions.
- Never use natural gas stoves or ovens, for space heating. It can lead to dangerous levels of <u>carbon monoxide</u> (CO).









#### Colder days are here

Conserve energy and save money.

CenterPoint Energy < DoNotReply@marketing.centerpointenergy.com> to me





### Help save energy and money.

In response to rising demand for natural gas due to the extreme cold across much of the country, we are encouraging you, if possible, to help conserve energy and save money at least through Tuesday, Jan. 16, 2024. Reduce your thermostat settings to 65 degrees during the day and lower the setting an additional 5 degrees when you're away or your building is unoccupied. This energy conservation step as well as other energy-saving measures can help limit the impact of higher natural gas prices on your bill. As a reminder, the price CenterPoint Energy pays for natural gas is the same price charged to customers – with no markup. Thank you for doing your part to reduce energy use as CenterPoint continues to provide you with safe and reliable service.

Interested in more ways to save energy? Check out our efficiency program information.

Safety reminder: If you smell the "rotten egg" odor of natural gas, immediately leave on foot, go to a safe location and call both 911 and CenterPoint Energy at 800-296-9815. Don't use electric switches/outlets, phones (including cell phones), drive or start a car inside or close to the location or do anything that could cause a spark.









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#### Docket No. G008/M-21-138 Exhibit 2 Page 11 of 15

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Jorge	Alonso	jorge.alonso@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 55101	Electronic Service	No	OFF_SL_21-138_Official Service List
Mara	Ascheman	mara.k.ascheman@xcelen ergy.com	Xcel Energy	414 Nicollet Mall FI 5  Minneapolis, MN 55401	Electronic Service	Yes	OFF_SL_21-138_Official Service List
James H.	Barkley	james.barkley@bakerbotts.com	Baker Botts	910 Louisiana Street  Houston, TX 77002-4995	Electronic Service	No	OFF_SL_21-138_Official Service List
James J.	Bertrand	james.bertrand@stinson.co m	STINSON LLP	50 S 6th St Ste 2600 Electronic Service  Minneapolis, MN 55402		No	OFF_SL_21-138_Official Service List
Elizabeth	Brama	ebrama@taftlaw.com	Taft Stettinius & Hollister LLP	2200 IDS Center 80 South 8th Street Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_21-138_Official Service List
Barbara	Case	barbara.case@state.mn.us	Office of Administrative Hearings	600 N. Robert St. St. Paul, Mn. 55101	Electronic Service	No	OFF_SL_21-138_Official Service List
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.st ate.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-138_Official Service List
Richard	Dornfeld	Richard.Dornfeld@ag.state .mn.us	Office of the Attorney General-DOC	Minnesota Attorney General's Office 445 Minnesota Street, Suite 1800 Saint Paul, Minnesota 55101	Electronic Service	No	OFF_SL_21-138_Official Service List
Brian	Edstrom	briane@cubminnesota.org	Citizens Utility Board of Minnesota	332 Minnesota St Ste W1360 Saint Paul, MN 55101	Electronic Service	No	OFF_SL_21-138_Official Service List
Sharon	Ferguson	sharon.ferguson@state.mn .us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_21-138_Official Service List

#### Docket No. G008/M-21-138 Exhibit 2 Page 12 of 15

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Edward	Garvey	garveyed@aol.com	Residence	32 Lawton St Saint Paul, MN 55102	Electronic Service	No	OFF_SL_21-138_Official Service List
Matthew B	Harris	matt.b.harris@xcelenergy.c om	XCEL ENERGY	401 Nicollet Mall FL 8  Minneapolis, MN 55401	Electronic Service	Yes	OFF_SL_21-138_Official Service List
Kim	Havey	kim.havey@minneapolismn .gov	City of Minneapolis	350 South 5th Street, Suite 315M Minneapolis, MN 55415	Electronic Service	No	OFF_SL_21-138_Official Service List
Valerie	Herring	vherring@taftlaw.com	Taft Stettinius & Hollister LLP	2200 IDS Center 80 S. Eighth Street Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-138_Official Service List
Katherine	Hinderlie	katherine.hinderlie@ag.stat e.mn.us	Office of the Attorney General-DOC	445 Minnesota St Suite 1400 St. Paul, MN 55101-2134	Electronic Service	No	OFF_SL_21-138_Official Service List
Travis	Jacobson	travis.jacobson@mdu.com	Great Plains Natural Gas Company	400 N 4th St  Bismarck, ND 58501	Electronic Service	No	OFF_SL_21-138_Official Service List
Kyle R.	Kroll	kkroll@winthrop.com	Winthrop & Weinstine, P.A.	225 South Sixth Street Suite 3500 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-138_Official Service List
Andrew	Larson	andrew.m.larson@state.mn .us	Public Utilities Commission	121 7th Place E., #350  Saint Paul,  MN  55101	Electronic Service	Yes	OFF_SL_21-138_Official Service List
Annie	Levenson Falk	annielf@cubminnesota.org	Citizens Utility Board of Minnesota	332 Minnesota Street, Suite W1360 St. Paul, MN 55101	Electronic Service	No	OFF_SL_21-138_Official Service List
Jason	Loos	jason.loos@centerpointene rgy.com	CenterPoint Energy Resources Corp.	505 Nicollet Mall 3rd Floor Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-138_Official Service List

#### Docket No. G008/M-21-138 Exhibit 2 Page 13 of 15

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 E 7th St St Paul, MN 55106	Electronic Service	No	OFF_SL_21-138_Official Service List
Joseph	Meyer	joseph.meyer@ag.state.mn .us	Office of the Attorney General-RUD	Bremer Tower, Suite 1400 445 Minnesota Street St Paul, MN 55101-2131	Electronic Service	No	OFF_SL_21-138_Official Service List
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St  Duluth, MN 558022093	Electronic Service	No	OFF_SL_21-138_Official Service List
Andrew	Moratzka	andrew.moratzka@stoel.co m	Stoel Rives LLP	33 South Sixth St Ste 4200  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-138_Official Service List
Samantha	Norris	samanthanorris@alliantene rgy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351 Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_21-138_Official Service List
Jessica	Palmer Denig	jessica.palmer- Denig@state.mn.us	Office of Administrative Hearings	600 Robert St N PO Box 64620 St. Paul, MN 55164	Electronic Service	No	OFF_SL_21-138_Official Service List
Lisa	Peterson	lisa.r.peterson@xcelenergy .com	Xcel Energy	414 Nicollet Mall FL 7  Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-138_Official Service List
Catherine	Phillips	Catherine.Phillips@wecene rgygroup.com	Minnesota Energy Resources	231 West Michigan St  Milwaukee, WI 53203	Electronic Service	Yes	OFF_SL_21-138_Official Service List
Generic Notice	Residential Utilities Division	residential.utilities@ag.stat e.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_21-138_Official Service List
Elizabeth	Schmiesing	eschmiesing@winthrop.co m	Winthrop & Weinstine, P.A.	225 South Sixth Street Suite 3500 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-138_Official Service List

#### Docket No. G008/M-21-138 Exhibit 2 Page 14 of 15

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Christine	Schwartz	Regulatory.records@xcele nergy.com	Xcel Energy	414 Nicollet Mall FL 7  Minneapolis, MN 554011993	Electronic Service	Yes	OFF_SL_21-138_Official Service List
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350  Saint Paul,  MN  55101	Electronic Service	Yes	OFF_SL_21-138_Official Service List
Janet	Shaddix Elling	jshaddix@janetshaddix.co m	Shaddix And Associates	7400 Lyndale Ave S Ste 190 Richfield, MN 55423	Electronic Service	Yes	OFF_SL_21-138_Official Service List
Peggy	Sorum	peggy.sorum@centerpointe nergy.com	CenterPoint Energy	505 Nicollet Mall  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-138_Official Service List
Richard	Stasik	richard.stasik@wecenergyg roup.com	Minnesota Energy Resources Corporation (HOLDING)	231 West Michigan St - P321 Milwaukee, WI 53203	Electronic Service	No	OFF_SL_21-138_Official Service List
Kristin	Stastny	kstastny@taftlaw.com	Taft Stettinius & Hollister LLP	2200 IDS Center 80 South 8th St Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-138_Official Service List
James M	Strommen	jstrommen@kennedy- graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-138_Official Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_21-138_Official Service List
James	Worlobah	james.worlobah@state.mn. us	Public Utilities Commission	121 7th Place E, Suite 350 St. Paul, MN 55101	Electronic Service	No	OFF_SL_21-138_Official Service List

Mr. Will Seuffert January 26, 2024 Page 15 of 15

#### Docket No. G008/M-21-138 Exhibit 2 Page 15 of 15

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael A.	Yuffee	michael.yuffee@bakerbotts .com	Baker Botts	700 K St NW Washington, DC 20001	Electronic Service		OFF_SL_21-138_Official Service List

# CenterPoint Energy encourages Minnesota customers to lower thermostats to conserve energy during the extreme cold

**Minneapolis – Jan. 12, 2024 –** In response to rising demand for natural gas due to the extreme cold across much of the country, CenterPoint Energy is encouraging its Minnesota customers to temporarily lower their thermostat settings to help conserve energy and save money.

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CenterPoint Energy buys and stores a substantial portion of its natural gas supply before the winter heating season. However, additional purchases must be made in the daily market to meet increased customer demand during cold weather. The price that CenterPoint Energy pays for natural gas is the same price charged to customers, with no markup or profit to the utility.

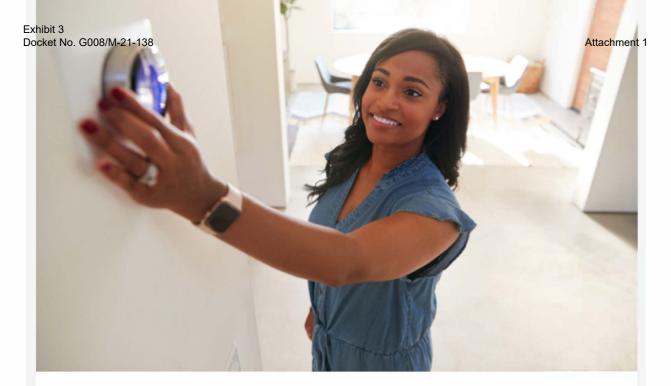
CenterPoint Energy offers these additional energy-saving tips for customers:

- Check your furnace filter. Change or clean the filter to maximize the efficiency of your furnace.
- Close window coverings and blinds. This will help insulate against the cold air outside.
- Keep warm air in and cold air out of your home. Use caulk or weatherstripping to seal leaks around doors, windows and other openings such as pipes or ducts. You can also roll up towels and push them against the bottom of the door's interior to help prevent heat loss. Close fireplace dampers when not in use, so you don't lose heat.
- Lower the temperature setting on your water heater by 10 degrees. Limit your use of hot water.
- Check the CenterPoint Energy website for more energy-saving tips at CenterPointEnergy.com/EnergySavingTips.

CenterPoint Energy also wants to provide a safety reminder to customers if they suspect a natural gas leak. If you smell the "rotten egg" odor of natural gas, immediately leave on foot, go to a safe location and call both 911 and CenterPoint Energy at 800-296-9815. Don't use electric switches/outlets, phones (including cell phones), drive or start a car inside or close to the location or do anything that could cause a spark.

Customers who believe they may have trouble paying their heating bills this winter should contact CenterPoint Energy to set up a payment arrangement. Customers can also contact CenterPoint Energy to discuss if they are eligible for energy assistance programs to help pay their bills. To learn more, visit <a href="Maintenangement-Newton PaymentAssistance">CenterPointEnergy.com/PaymentAssistance</a>.

CenterPoint Energy is Minnesota's largest natural gas utility, serving the energy needs of more than 910,000 residential and business customers.



# Lowering your thermostat could help you save energy and money.

As we prepare for the impact of the winter weather and the rising demand for natural gas, we are asking that you temporarily lower your thermostat to conserve energy and save money from now through at least Tuesday, Jan. 16. Setting your thermostat to 65 degrees and lowering it an additional 5 degrees when away from home, or asleep, will help reduce the impact on your energy bill.

If you believe you may have trouble paying your bill, please contact us to set up a payment arrangement and discuss if you're eligible for available energy assistance programs. Learn more at <a href="CenterPointEnergy.com/PaymentAssistance">CenterPointEnergy.com/PaymentAssistance</a>. As a reminder, the price CenterPoint Energy pays for natural gas is the same price charged to customers – with no markup.

### Quick tips:

- Run your ceiling fan clockwise on a low setting.
- Prevent air leaks by checking and repairing all cracked, separated or missing exterior caulking and weather stripping, especially around windows and entry doors, as well as checking roof and soffit vents for possible air-flow obstructions.
- Never use natural gas stoves or ovens, for space heating. It can lead to dangerous levels of <u>carbon monoxide</u> (CO).









#### Colder days are here

Conserve energy and save money.

CenterPoint Energy <DoNotReply@marketing.centerpointenergy.com> to me





### Help save energy and money.

In response to rising demand for natural gas due to the extreme cold across much of the country, we are encouraging you, if possible, to help conserve energy and save money at least through Tuesday, Jan. 16, 2024. Reduce your thermostat settings to 65 degrees during the day and lower the setting an additional 5 degrees when you're away or your building is unoccupied. This energy conservation step as well as other energy-saving measures can help limit the impact of higher natural gas prices on your bill. As a reminder, the price CenterPoint Energy pays for natural gas is the same price charged to customers – with no markup. Thank you for doing your part to reduce energy use as CenterPoint continues to provide you with safe and reliable service.

Interested in more ways to save energy? Check out our efficiency program information.

Safety reminder: If you smell the "rotten egg" odor of natural gas, immediately leave on foot, go to a safe location and call both 911 and CenterPoint Energy at 800-296-9815. Don't use electric switches/outlets, phones (including cell phones), drive or start a car inside or close to the location or do anything that could cause a spark.









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Public Document
Trade Secret Information has been Excised
Exhibit 4
Docket No. G008/M-21-138

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Submitted Electronically

June 4, 2024

Debbie-Anne A. Reese Acting Secretary, Office of the Secretary Federal Energy Regulatory Commission 888 First St NE Washington, DC 20426

RE: Standards for Business Practices of Interstate Natural Gas Pipelines, Docket No. RM96-1-043

Secretary Reese:

The American Gas Association ("AGA") appreciates the opportunity to submit these comments in *Standards for Business Practices of Interstate Natural Gas Pipelines*, Docket No. RM96-1-043, 186 FERC ¶ 61,196 (2024). AGA supports the proposed rulemaking and provides these comments in this open proceeding related to the North American Energy Standards Board ("NAESB") to express disappointment that the formal process to revise the force majeure provisions in the NAESB Base Contract for Sale and Purchase of Natural Gas ("Base Contract") was prematurely ended before the matter could be fully discussed.

AGA, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 78 million residential, commercial and industrial natural gas customers in the U.S., of which 95 percent — more than 74 million customers — receive their gas from AGA members. AGA is an advocate for natural gas utility companies and their customers and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international natural gas companies, and industry associates. Today, natural gas meets one-third of the United States' energy needs. AGA is an active NAESB member and AGA members utilize the Base Contract on a regular basis.

In May 2023, Southwest Power Pool, PJM Interconnection, MISO Energy, Texas Competitive Power Association, UGI Utilities, and CenterPoint Energy submitted a standards request, "Enhancement to the NAESB Base Contract for Sale and Purchase of Natural Gas Force Majeure Terms." The request was assigned Standards Request No. R23001. At the initial

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<sup>&</sup>lt;sup>1</sup> For more information, please visit <u>www.aga.org</u>.

meeting to discuss Standards Request No. R23001 a motion was made to take no action on the proposal. In September 2023, at a subsequent Wholesale Gas Quadrant ("WGQ") Contracts Subcommittee meeting, a vote on the motion was held and the no action motion passed. The local distribution company ("LDC") segment, including AGA, unanimously opposed the no action motion. This essentially halted the work of the subcommittee and the merits of Standards Request No. R23001 was not discussed. The no action motion was also subsequently passed by the WGQ Executive Committee. Again, AGA and various LDCs opposed the no action motion.

AGA supported continued discussion of Standards Request No. R23001, and the important supply and contracting issues raised by the request, among the WGQ Contracts Subcommittee participants and at NAESB. Standards Request No. R23001 raised important issues related to the NAESB Base Contract and the force majeure provisions in the contract that should have been discussed by the WGQ Contracts Subcommittee. Notably, this issue was raised as part of the NAESB Gas-Electric Harmonization Forum, has been raised in at least one state regulatory proceeding,<sup>2</sup> and has come to the forefront due to the aftermath of Winter Storms Uri<sup>3</sup> and Elliott.<sup>4</sup>

Notably, AGA and various LDC's were disappointed that before any meaningful discussion could have commenced, the no action motion was passed. Overall, this is a reliability issue for LDCs and a life and safety issue for customers. Due to the obligation to provide reliable service to customers, LDCs develop and execute detailed long-term supply plans to ensure that contractual commitments are in place that allow utilities to reliably meet the physical demand for service on peak days both today and in the future. Acquiring and maintaining natural gas supply is an integral part of this planning process. LDCs rely on contractual agreements with suppliers as part of that process. The contract terms should not be barriers to receiving service, since supply contracts are essential to receiving reliable service. Therefore, AGA supported continued discussion of Standards Request No. R23001, and continues to support discussing revisions to the force majeure provisions of the Base Contract among stakeholders.

The American Gas Association appreciates the opportunity to update the Commission on this important matter and looks forward to continuing to work with the Commission, NAESB, state regulators, and stakeholders on this issue. AGA respectfully requests that the Commission continue to monitor reliability matters and engage with stakeholders, state regulators, and NAESB on how to ensure reliable service.

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<sup>&</sup>lt;sup>2</sup> In the Matter of a Commission Investigation into the Impact of Severe Weather in February 2021 on Impacted Minnesota Natural Gas Utilities and Customers, et al., Docket Nos. G-999/CI-21-135, et al., 2023 MINN. PUC LEXIS 51, at 56 (February 17, 2023) (The Minnesota Public Utilities Commission ordered various LDCs to:

<sup>&</sup>quot;[P]articipate in the North American Energy Standards Board Gas/Electric Harmonization Forum and other relevant efforts to track and pursue beneficial reforms, such as improving the force majeure language in the NAESB standard contract.").

<sup>&</sup>lt;sup>3</sup> See Key Recommendation #8, The February 2021 Cold Weather Outages in Texas and the South Central United States, FERC, NERC and Regional Entity Staff Repot (November 2021), available at <a href="https://www.ferc.gov/media/february-2021-cold-weather-outages-texas-and-south-central-united-states-ferc-nerc-and">https://www.ferc.gov/media/february-2021-cold-weather-outages-texas-and-south-central-united-states-ferc-nerc-and</a> (last visited June 4, 2024).

<sup>&</sup>lt;sup>4</sup> See Recommendation 4(b), Inquiry into Bulk-Power System Operations During 2022 Winter Storm Elliott (October 2023), available at <a href="https://www.ferc.gov/media/winter-storm-elliott-report-inquiry-bulk-power-system-operations-during-december-2022">https://www.ferc.gov/media/winter-storm-elliott-report-inquiry-bulk-power-system-operations-during-december-2022</a> (last visited June 4, 2024).

Docket No. G008/M-21-138 Exhibit 5 Page 3 of 3

Respectfully submitted,

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