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September 8, 2016

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

Mr. Dan Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 East Seventh Place, Suite 350
St. Paul, MN 55101

Re: *In the Matter of the Application of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas for Authority to Increase Rates for Natural Gas Utility Service in Minnesota*
MPUC Docket No. G-008/GR-15-424
OAH Docket No. 8-2500-32829

Pursuant to the Minnesota Public Utilities Commission's ("or Commission") Order issued June 3, 2016, CenterPoint Energy, a division of CenterPoint Energy Resources Corp., ("CenterPoint Energy" or "Company") respectfully submits its compliance filing in the above referenced docket.

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

The compliance requirements from Ordering Paragraph #44 of the Order dated June 3rd, 2016 were followed in preparing this compliance filing. They are described below.

Within 30 days of the date of this order, CenterPoint Energy shall make the following compliance filings:

- A. Revised schedules of rates and charges reflecting the revenue requirement and the rate design decisions herein, along with the proposed effective date, and including the following information:
 - A1. Breakdown of Total Operating Revenues by type;
 - A2. Schedules showing all billing determinants for the retail sales (and sale for resale) of natural gas. These schedules shall include but not be limited to:
 - a) Total revenue by customer class;

- b) Total number of customers, the customer charge and total customer charge revenue by customer class; and
 - c) For each customer class, the total number of commodity and demand related billing units, the per unit of commodity and demand cost of gas, the non-gas margin, and the total commodity and demand related sales revenues.
- A3. Revised tariff sheets incorporating authorized rate design decisions.
- A4. Proposed customer notices explaining the final rates, the monthly basic service charges, and any and all changes to rate design and customer billing.
- B. A revised base cost of gas, supporting schedules, and revised fuel adjustment tariffs to be in effect on the date final rates are implemented.
 - C. A summary listing of all other rate riders and charges in effect, and continuing, after the date final rates are implemented.
 - D. A schedule detailing the CIP tracker balance at the beginning of interim rates, the revenues (CCRC and CIP Adjustment Factor) and costs recorded during the period of interim rates, and the CIP tracker balance at the time final rates become effective.
 - E. Because final authorized rates are lower than interim rates, a proposal to make refunds of interim rates, including interest to affected customers.

Pursuant to the June 3, 2016 Order, CenterPoint Energy acknowledges that parties shall have 30 days, i.e. until Monday, October 10th, 2016 to comment on this compliance filing.

CenterPoint Energy proposes to implement final rates no later than with meters read on and after December 1, 2016. Under Minn. Stat. §216B.16, the effective date for final rates in a general rate case is the date of the Commission's final determination (i.e., August 9, 2016 which was the date of the Commission's Order Denying Reconsideration). By implementing final rates in this manner, the earliest usage the new rates would be applied against would be approximately December 2016 which is after the effective date of the Commission's final determination. As long as the interim rate refund is properly calculated; final rates do not apply to any gas usage which occurred prior to the Commission's final determination and enough time is allowed for comment and implementation, final rates should be allowed to be implemented on a non-prorated basis or "dropped in", as was done in the 4 most recent prior rate cases (Docket Nos. G008/GR-13-316, G008/GR-08-1075, G008/GR-05-1380 and G008/GR-04-901) and as is being proposed here.

Please contact me at 612.321.4625 or Peggy.Sorum@CenterPointEnergy.com with any questions you may have regarding this filing.

Sincerely,

/s/
Peggy Sorum
Manager, Regulatory Financial Activities

Attachments

CenterPoint Energy
Docket No. G-008/GR-15-424
Compliance Filing - 9-8-2016
INDEX

Schedule	Order Reference
A. Revised Schedules of rates and charges	Order, Page 85, 44.a.i.- iv.
A. Revenue Requirements	Order, Page 85, 44.a.
A-1. Total Operating Revenues by type	Order, Page 85, 44.a.i
A-2a. Total revenue by customer class	Order, Page 85, 44.a.ii. 1
A-2b. Total number of customers, the customer charge and total customer-charge revenue by customer class	Order, Page 85, 44.a.ii. 2
A-2c. For each customer class, the total number of commodity- and demand related billing units, the per unit of commodity and demand cost of gas, the non-gas margin, and the total commodity and demand-related sales revenues.	Order, Page 85, 44.a.ii. 3
A-3. Revised tariff sheets	Order, Page 85, 44.a.iii.
A-4. Proposed customer notices	Order, Page 85, 44.a.iv.
B. Revised base cost of gas	Order, Page 85, 44.b.
C. Rate Riders and Charges in Effect	Order, Page 85, 44.c.
D. CIP Tracker	Order, Page 85, 44.d.
E. Interim Rate Refund Plan	Order, Page 85, 44.e.

CENTERPOINT ENERGY
REVENUE REQUIREMENTS

Commission Order, page 71, Ordering Point 1.

CenterPoint Energy Minnesota Gas is entitled to increase Minnesota-jurisdictional revenues by \$27,541,000 to produce jurisdictional total gross revenues of \$817,092,000 for the test year ending September 30, 2016.

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

CenterPoint Energy
Revenue Requirements
Financial Summary
Test Year - Twelve Months Ending Sept. 30, 2016
(\$000s)

Line No.	Description	Test Year AS FILED	PUC Adjustments	FINAL
1	Average Net Rate Base	\$912,820	(\$19,707)	\$893,113
2	Operating Income	\$40,756	\$6,240	\$46,996
3	Rate of Return Required	7.94%		7.07%
4	Required Operating Income (1 x 3)	\$72,478	(\$9,335)	\$63,143
5	Operating Income Deficiency (4 - 2)	\$31,722	(\$15,575)	\$16,147
6	Gross Revenue Conversion	1.7056	1.7056	1.7056
7	Revenue Deficiency (5 x 6)	\$54,105	(\$26,564)	\$27,541

Please note that the numbers in the FINAL column above are taken from the June 3, 2016 Order which (as noted in the June 23, 2016 Petition for Reconsideration) is not consistent with an overall rate of return of 7.07% since the interest synchronization calculation was not updated.

CenterPoint Energy
Revenue Requirements
Detail Rate Base Summary
Test Year - Twelve Months Ending Sept. 30, 2016
(\$000s)

Line No.	Description	Test Year AS FILED ^{/1/}	PUC Adjustments ^{/2/}	PUC Decisions
1	Utility Plant in Service:			
2	Intangible	\$929	(2)	927
3	Production	\$21,253	(49)	21,204
4	Underground Storage	\$22,812	(53)	22,759
5	Other Storage	\$17,005	(40)	16,965
6	Distribution	\$1,668,884	164	1,669,048
7	General	\$215,789	(12,458)	203,331
8	Total Utility Plant in Service	<u>\$1,946,672</u>	<u>(\$12,438)</u>	<u>\$1,934,234</u>
9	Accumulated Reserve:			
10	Intangible	\$368	(\$2)	366
11	Production	\$19,003	(\$42)	18,961
12	Underground Storage	\$20,811	(\$53)	20,758
13	Other Storage	\$17,664	(\$40)	17,624
14	Distribution	\$721,107	\$2,493	723,600
15	General	\$111,738	(\$944)	110,794
16	Total Accumulated Reserve	<u>\$890,691</u>	<u>\$1,413</u>	<u>\$892,104</u>
17	Net Utility Plant in Service:			
18	Intangible	\$561	\$0	561
19	Production	\$2,250	(8)	2,242
20	Underground Storage	\$2,001	(0)	2,001
21	Other Storage	(\$659)	0	(659)
22	Distribution	\$947,777	(2,329)	945,448
23	General	\$104,051	(11,514)	92,537
24	Total Net Utility Plant in Service	<u>\$1,055,981</u>	<u>(\$13,851)</u>	<u>\$1,042,130</u>
25	Construction Work in Progress	\$0	-	0
26	Net Acquisition Adjustment	\$0	-	0
27	Gas Stored Underground-Noncurrent	\$177	-	177
28	Customer Advances for Construction	(\$214)	-	(214)
29	Accumulated Deferred Income Taxes	(\$186,749)	145	(186,604)
30	Working Capital:			
31	Materials and Supplies	\$11,286	-	11,286
32	Gas Stored Underground-Current	\$36,026	(5,113)	30,913
33	Liquefied Natural Gas Stored	\$1,660	-	1,660
34	Liquefied Petroleum (Propane) Gas	\$5,919	-	5,919
35	Prepayments	\$1,259	-	1,259
36	Other Deferred Debits & Credits	(\$13,724)	-	(13,724)
37	Other Cash Working Capital	\$1,199	(888)	311
38	Total Working Capital	<u>\$43,625</u>	<u>(\$6,001)</u>	<u>\$37,624</u>
39	Average Net Rate Base	<u>\$912,820</u>	<u>(\$19,707)</u>	<u>\$893,113</u>

/1/ See Petition (hearing exhibit 2) - Volume 1: Required Schedule B-2

/2/ See page 6 of Schedule A

CenterPoint Energy
Revenue Requirements
Statement of Operating Income
Test Year - Twelve Months Ending Sept. 30, 2016
(\$000s)

Line No.	Description	Test Year AS FILED ^{/1/}	PUC Adjustments ^{/2/}	PUC Decisions
1	Operating Revenue			
2	Sales of Gas			
3	Residential	\$519,528	(\$34,845)	\$484,683
4	Commercial & Industrial	226,130	(18,237)	207,893
5	Total Firm	\$745,658	(\$53,082)	\$692,576
6	Dual Fuel	75,042	(8,909)	66,133
7	Transportation	26,158	(51)	26,107
8	Other	1,108	769	1,877
9	Less: Franchise Fees		0	0
10	Total	\$847,966	(\$61,273)	\$786,693
11	Late Payment Charges	3,217	(359)	2,858
12	Other Operating Revenue	0	0	0
13	Total Operating Revenue	\$851,183	(\$61,632)	\$789,551
14	Operating Expenses			
15	Operation and Maintenance			
16	Cost of Gas Purchases	\$509,520	(65,032)	\$444,488
17	Production	1,145	167	1,312
18	Other Gas Supply	806	0	806
19	Underground Storage	896	0	896
20	Other Storage	727	0	727
21	Distribution	39,956	(741)	39,215
22	Customer Accounts	35,985	(716)	35,269
23	Customer Service & Informational	35,215	200	35,415
24	Sales	449	0	449
25	Administrative & General	43,614	(4,255)	39,359
26	Total Operation	\$668,313	(\$70,377)	\$597,936
27	Maintenance Expenses	21,480	0	21,480
28	Total Operation & Maintenance	\$689,793	(\$70,377)	\$619,416
29	Depreciation and Amortization	73,053	(817)	72,236
30	Federal & State Income Taxes	7,225	5,435	12,660
31	Deferred Income Taxes	5,941		5,941
32	Investment Tax Credit Adjustment	0		0
33	Other Taxes	34,415	(2,113)	32,302
34	Total Operating Expenses	\$810,427	(\$67,872)	\$742,555
35	Operating Income Before AFUDC	40,756	6,240	46,996
36	Allowance for Funds Used During Construction	0		0
37	Utility Operating Income	\$40,756	\$6,240	\$46,996

^{/1/} See Petition (hearing exhibit 2) - Volume 1: Required Schedule C-1

^{/2/} See pages 10 - 12 of Schedule A

CenterPoint Energy
Calculation of Tax Adjustment
Test Year - Twelve Months Ending Sept. 30, 2016
(\$000s)

Column F: Interest Sync

Line No.	Description		Tax Adjustments
1	Rate Base	893,113	
2	Wtd Cost of Debt	2.33%	
3	Interest Expense	20,810	
4	Interest Expense as filed	22,273	
5	Interest Deduction Adjustment	(1,463)	
6	Taxable Income Adjustment	1,463	
7	Tax Rate	41.37%	
8	Tax Adjustment		\$605
9	Adj. to Operating Income before Taxes	\$11,675	
10	Tax Rate	41.37%	
11	Tax Adjustment		\$4,830
12	Total Tax Adj. (6+10+18)		\$5,435

CenterPoint Energy
Capitalization and Cost of Capital Summary
Test Year - Twelve Months Ending Sept. 30, 2016

Line No.	Description	Amount (\$000)	Ratio	Cost	Weighted Cost of Capital
As filed /1/					
1	Long Term Debt	\$409,135	44.71%	5.38%	2.41%
2	Short Term Debt	17,022	1.86%	1.62%	0.03%
3	Common Stock Equity	<u>488,973</u>	<u>53.43%</u>	10.30%	<u>5.50%</u>
4	Total	<u>\$915,131</u>	<u>100.00%</u>		<u>7.94%</u>
Test Year					
5	Long Term Debt		42.30%	5.38%	2.28%
6	Short Term Debt		7.70%	0.65%	0.05%
7	Common Stock Equity		<u>50.00%</u>	9.49%	<u>4.75%</u>
8	Total		<u>100.00%</u>		<u>7.07%</u> /2/

/1/ See Petition (hearing exhibit 2) - Volume 1: Required Schedule D-1.

/2/ June 3, 2016 Order at page 47.

CenterPoint Energy
Revenue Requirements
Rate Base Adjustments
Test Year - Twelve Months Ending Sept. 30, 2016
(\$000s)

Line	Description	Cost of Gas/ Storage Inventory	Qualified Pension Expense (MN)	Non Qual Pension/BRP (MN)	Postemploy Benefit Exp (MN)	Qualified Pension Exp (Serv Co)	Distribution Capital	New HQ	Warehouse	Property Tax Exp	Cash Working Capital	Plant Retirements	Total Adjustments = Sum of Columns C through AF
No.	A	C	N	O	Q	X	Z	AA	AB	AC	AD	AF	
1	Utility Plant in Service:												
2	Intangible											(2)	(2)
3	Production											(49)	(49)
4	Underground Storage											(53)	(53)
5	Other Storage											(40)	(40)
6	Distribution		(73)	(12)	31	(0)	4,098	(8,502)	(3,461)	7		(3,879)	164
7	General											(502)	(12,458)
8	Total Utility Plant in Service	\$0	(\$73)	(\$12)	\$31	(\$0)	\$4,098	(\$8,502)	(\$3,461)	\$7	\$0	(\$4,525)	(\$12,438)
9	Accumulated Reserve:												
10	Intangible											(2)	(2)
11	Production											(42)	(42)
12	Underground Storage											(53)	(53)
13	Other Storage											(40)	(40)
14	Distribution						6,366					(3,873)	2,493
15	General							(347)				(597)	(944)
16	Total Accumulated Reserve	\$0	\$0	\$0	\$0	\$0	\$6,366	(\$347)	\$0	\$0	\$0	(\$4,606)	\$1,413
17	Net Utility Plant in Service:												
18	Intangible	-	-	-	-	-	-	-	-	-	-	-	-
19	Production	-	-	-	-	-	-	-	-	-	-	(8)	(8)
20	Underground Storage	-	-	-	-	-	-	-	-	-	-	(0)	(0)
21	Other Storage	-	-	-	-	-	-	-	-	-	-	0	0
22	Distribution	-	(73)	(12)	31	(0)	(2,268)	-	-	-	-	(7)	(2,329)
23	General	-	-	-	-	-	-	(8,155)	(3,461)	7	-	95	(11,514)
24	Total Net Utility Plant in Service	\$0	(\$73)	(\$12)	\$31	(\$0)	(\$2,268)	(\$8,155)	(\$3,461)	\$7	\$0	\$81	(\$13,851)
25	Construction Work in Progress												-
26	Net Acquisition Adjustment												-
27	Gas Stored Underground-Noncurrent												-
28	Customer Advances for Construction												-
29	Accumulated Deferred Income Taxes							145					145
30	Working Capital:												
31	Materials and Supplies												-
32	Gas Stored Underground-Current	(5,113)											(5,113)
33	Liquefied Natural Gas Stored												-
34	Liquefied Petroleum (Propane) Gas												-
36	Prepayments												-
37	Other Deferred Debits & Credits												-
38	Other Cash Working Capital										(888)		(888)
39	Total Working Capital	(\$5,113)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$888)	\$0	(\$6,001)
40	Average Net Rate Base	(\$5,113)	(\$73)	(\$12)	\$31	(\$0)	(\$2,268)	(\$8,010)	(\$3,461)	\$7	(\$888)	\$81	(\$19,707)

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

Lead/Lag Adjustment

	Test Year Expense AS FILED	Adjustments /1/	Test Year Expense	Expense Per Day	Lag Days	Lead Days	Lag Float	Net Days	Net Lead/ Lag Dollars	Net Lead/ Lag Dollars AS FILED
1 Cost of Gas Purchases	509,519,536	(65,032,304)	444,487,231	1,217,773	(36.9)	49.7	(0.7)	12.1	14,735,056	16,890,922
2 Cost of Propane Purchases	227,668	0	227,668	624	(11.7)	49.7	(0.7)	37.3	23,266	23,275
3 Salaries & Wages	48,804,966	(485,088)	48,319,878	132,383	(23.1)	49.7	(0.7)	25.9	3,428,726	3,463,141
4 Other Op. and Maint. Exp.	92,894,269	(515,002)	92,379,267	253,094	(35.8)	49.7	(0.7)	13.2	3,340,839	3,359,466
5 Self Ins. Med & Dental	10,946,146	0	10,946,146	29,989	(21.1)	49.7	(0.7)	27.9	836,705	836,693
6 Bad Debt Expense	6,419,851	(715,589)	5,704,262	15,628	(113.7)	49.7	(0.7)	(64.7)	(1,011,139)	(1,138,008)
7 Allocation From Parent	13,099,179	(3,385,363)	9,713,816	26,613	(33.1)	49.7	(0.7)	15.9	423,150	570,619
8 Inj & Dam. - Premiums	2,223,218	0	2,223,218	6,091	(33.1)	49.7	(0.7)	15.9	96,847	96,847
9 Pension	3,936,310	(243,886)	3,692,425	10,116	(182.5)	49.7	(0.7)	(133.5)	(1,350,517)	(1,439,664)
10 Retiree Medical	243,422	0	243,422	667	(182.5)	49.7	(0.7)	(133.5)	(89,032)	(89,045)
11 Taxes:										
12 Current Fed. Inc.	22,590,546	(4,190,717)	18,399,829	50,410	(37.0)	49.7	(0.7)	12.0	604,926	742,704
13 Current State Inc.	7,018,129	(1,300,887)	5,717,242	15,664	(29.3)	49.7	(0.7)	19.7	308,575	378,792
14 Real Estate	1,925,788	0	1,925,788	5,276	(394.1)	49.7	(0.7)	(345.1)	(1,820,792)	(1,820,748)
15 Property	30,005,070	(2,112,791)	27,892,280	76,417	(317.5)	49.7	(0.7)	(268.5)	(20,518,018)	(22,072,311)
16 Payroll tax and Other taxes	2,957,025		2,957,025	8,101	(27.9)	49.7	(0.7)	21.1	170,940	170,931
17 Total Lead/Lag Exp.	752,811,123	(77,981,626)	674,829,496	1,848,848				(0.4)	(820,469)	(26,386)
									Difference from Filed	(794,083)
									<u>Cash Avail. From Tax & Fee Collections Difference (page 2)</u>	<u>(93,884)</u>
									Total Other Cash Working Capital Adj (to Rate Base Adj page)	(887,967)

/1/ See page 9 of Schedule A for categorization of PUC Decisions, Current Federal and State Income Tax includes Income Tax on Revenue Deficiency

Cash Avail. from Tax & Fee Collections

	<u>Filed</u>	<u>Test Year</u>	<u>Change</u>	Lag Days	Day Weighted Dollars
Employee payroll	\$48,804,966 /1/	\$48,319,878 /4/	-0.99% /5/		
Employee FICA	\$2,795,035 /1/	\$2,767,364 /2/		2.3 /1/	\$6,364,938
Federal Withholding	\$6,032,294 /1/	\$5,972,574 /2/		2.3 /1/	\$13,736,921
State withholding	\$2,293,833 /1/	\$2,271,124 /2/		5.0 /1/	\$11,355,620
Sales Taxes	\$19,573,728 /1/	\$18,139,806 /6/		(16.9) /1/	(\$307,415,292)
Franchise Fees	<u>\$14,477,654 /1/</u>	<u>\$13,420,354 /6/</u>		(10.3) /1/	<u>(\$138,229,646)</u>
Total	\$45,172,544	\$42,571,222			(\$414,187,460)
Average Lag Days: Day Weighted Dollars/ Test Year Amount					(9.70)
Average Daily Tax collection: Test Year / 365 days					116,633
Tax Collection Available: -Average Lag Days x Average Daily Tax collections					1,131,340
Filed					<u>1,225,224 /1/</u>
Difference from filed amount:					(93,884)

<u>Franchise Fees</u>	14,477,654 /1/	13,420,354 /10/
Distribution Revenues	846,858,000 /7/	784,816,000 /9/
Factor	0.017 /8/	

<u>Sales Tax</u>	19,573,728 /1/	18,139,806 /10/
Test Period Rev	861,335,654 /11/	798,236,354 /11/
Factor	0.023 /8/	

Franchise Fees - Firm Only (for Bad Debt and Late Payments)

Firm Franchise Fees Test Period	12,810,038 /3/	11,912,307 /10/	to Bad Debt and Late Pay adjustments
Test Period Firm Revenues	745,658,000 /12/	692,576,000 /13/	
Factor	0.017 /8/		

- /1/ KRN-WP Vol 2 Sch 50 WP 11 Page 1 of 10 (hearing exhibit 64), also Lead/Lag Adjustment page 1 line 3
- /2/ Calculated change in Payroll applied to withholdings as filed
- /3/ KRN-WP Vol 1 Sch 6, WP 4, Page 1 of 1 (hearing exhibit 62)
- /4/ Lead/Lag Adjustment page 1 line 3
- /5/ Calculated Change in Payroll: Test Year/Filed Amount
- /6/ From below
- /7/ Initial Filing: Required Schedule C-2(a) (hearing exhibit 2) Firm + Dual Fuel + Transportation Revenue
- /8/ Factor from Filed information
- /9/ Distribution Revenue
- /10/ Factor from Filed information applied to Test Year
- /11/ Revenue from above + Franchise Fees
- /12/ Initial Filing: Required Schedule C-2(a) (hearing exhibit 2) Firm Revenue
- /13/ Firm Revenue

Adjustments by Lead/Lag Category

Adj	Adjustment	Cost of Gas Purchases	Salaries & Wages	Other Op. and Maint. Exp.	Bad Debt Expense	Allocation From Parent	Pension	Property	Not Lead/Lag (depr)	Total from Income Statement Adjustment Page	
B	Sales Forecast	5,217,120		402,426						5,619,546	-
C	Cost of Gas	(70,249,424)								(70,249,424)	-
D	Late Payment Fees								-	0	-
E	Reconnect Fees								-	0	-
F	LNG Sales			166,984						166,984	-
G	Meter Reading		(229,801)							(229,801)	-
H	PRIME Records Management			(345,901)						(345,901)	-
I	Picarro Leak Detection			(165,000)						(165,000)	-
J	Bad Debt Expense				(715,589)					(715,589)	-
K	Call Center					(202,792)				(202,792)	-
L	ST Incentive Comp (MN)		(13,342)							(13,342)	-
M	LT Incentive Comp (MN)		(241,945)							(241,945)	-
N	Qualified Pension (MN)						(209,045)			(209,045)	-
O	Non-Qual Pension/BRP (MN)						(34,841)			(34,841)	-
P	Workers Comp			(101,388)						(101,388)	-
Q	Postemployment Benefits (MN)			89,687						89,687	-
R	Other Exec Benefits			(247,420)						(247,420)	-
S	Lobbying Expense			(37,938)						(37,938)	-
T	Investor Relations					(184,649)				(184,649)	-
U	Rate Case Expense			(17,501)						(17,501)	-
V	FERC Activity Expense					(666,667)				(666,667)	-
W	Corporate Allocations (Aircraft)					(34,083)				(34,083)	-
X	Qualified Pension (Service Co)					(45,202)				(45,202)	-
Y	Corporate Allocations (Compensation)					(2,251,970)				(2,251,970)	-
Z	Distribution Capital								(42,793)	(42,793)	-
AA	New Headquarters			(18,129)				(18,164)	(508,794)	(545,087)	-
AB	Warehouse			46				(49,139)	(154,836)	(203,929)	-
AC	Property Tax Expense							(2,045,488)		(2,045,488)	-
AE	Miscellaneous Adjustments			(240,868)						(240,868)	-
AF	Plant Retirements								(110,246)	(110,246)	-
	Total	(65,032,304)	(485,088)	(515,002)	(715,589)	(3,385,363)	(243,886)	(2,112,791)	(816,669)	(73,306,691)	-

CenterPoint Energy
Revenue Requirements
Operating Income Adjustments
Test Year - Twelve Months Ending Sept. 30, 2016

Line No.	Description	Sales Forecast	Cost of Gas/ Storage Inventory	Late Payment Fees	Reconnect Fees	LNG Sales	Meter Reading	PRIME Records Mgmt	Picarro Leak Detection	Bad Debt Expense	Call Center
	A	B	C	D	E	F	G	H	I	J	K
1	Operating Revenue										
2	Sales of Gas										
3	Residential	5,694	(40,539)								
4	Commercial & Industrial	2,431	(20,668)								
5	Total Firm	\$8,125	(\$61,208)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Dual Fuel	133	(9,042)								
7	Transportation	(51)									
8	Other				269	501					
9	Less: Franchise Fees										
10	Total	\$8,207	(\$70,249)	\$0	\$269	\$501	\$0	\$0	\$0	\$0	\$0
11	Late Payment Charges			(359)							
12	Other Operating Revenue										
13	Total Operating Revenue	\$8,207	(\$70,249)	(\$359)	\$269	\$501	\$0	\$0	\$0	\$0	\$0
14	Operating Expenses										
15	Operation and Maintenance										
16	Cost of Gas Purchases	5,217	(70,249)								
17	Production					167					
18	Other Gas Supply										
19	Underground Storage										
20	Other Storage										
21	Distribution & Utilization						(230)	(346)	(165)		
22	Customer Accounting									(716)	
23	Customer Service & Informational	402									(203)
24	Sales										
25	Administrative & General										
26	Total Operation	\$5,620	(\$70,249)	\$0	\$0	\$167	(\$230)	(\$346)	(\$165)	(\$716)	(\$203)
27	Maintenance Expenses										
28	Total Operation & Maintenance	\$5,620	(\$70,249)	\$0	\$0	\$167	(\$230)	(\$346)	(\$165)	(\$716)	(\$203)
29	Depreciation and Amortization										
30	Federal & State Income Taxes										
31	Deferred Income Taxes										
32	Investment Tax Credit Adjustment										
33	Other Taxes										
34	Total Operating Expenses	\$5,620	(\$70,249)	\$0	\$0	\$167	(\$230)	(\$346)	(\$165)	(\$716)	(\$203)
35	Operating Income Before AFUDC	2,587	0	(359)	269	334	230	346	165	716	203
36	Allowance for Funds Used During Construction										
37	Utility Operating Income	\$2,587	\$0	(\$359)	\$269	\$334	\$230	\$346	\$165	\$716	\$203

CenterPoint Energy
Revenue Requirements
Operating Income Adjustments
Test Year - Twelve Months Ending Sept. 30, 2016

Line No.	Description	ST Incentive Comp (MN)	LT Incentive Comp (MN)	Qualified Pension Expense (MN)	Non Qual Pension/BRP (MN)	Workers Comp	Postemploy Benefit Exp (MN)	Other Executive Benefits	Lobbying Expenses	Investor Relations CPE	Rate Case Expense	FERC Activity Expense
	A	L	M	N	O	P	Q	R	S	T	U	V
1	Operating Revenue											
2	Sales of Gas											
3	Residential											
4	Commercial & Industrial											
5	Total Firm	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Dual Fuel											
7	Transportation											
8	Other											
9	Less: Franchise Fees											
10	Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Late Payment Charges											
12	Other Operating Revenue											
13	Total Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	Operating Expenses											
15	Operation and Maintenance											
16	Cost of Gas Purchases											
17	Production											
18	Other Gas Supply											
19	Underground Storage											
20	Other Storage											
21	Distribution & Utilization											
22	Customer Accounting											
23	Customer Service & Informational											
24	Sales											
25	Administrative & General	(13)	(242)	(209)	(35)	(101)	90	(247)	(38)	(185)	(18)	(667)
26	Total Operation	(\$13)	(\$242)	(\$209)	(\$35)	(\$101)	\$90	(\$247)	(\$38)	(\$185)	(\$18)	(\$667)
27	Maintenance Expenses											
28	Total Operation & Maintenance	(\$13)	(\$242)	(\$209)	(\$35)	(\$101)	\$90	(\$247)	(\$38)	(\$185)	(\$18)	(\$667)
29	Depreciation and Amortization											
30	Federal & State Income Taxes											
31	Deferred Income Taxes											
32	Investment Tax Credit Adjustment											
33	Other Taxes											
34	Total Operating Expenses	(\$13)	(\$242)	(\$209)	(\$35)	(\$101)	\$90	(\$247)	(\$38)	(\$185)	(\$18)	(\$667)
35	Operating Income Before AFUDC	13	242	209	35	101	(90)	247	38	185	18	667
36	Allowance for Funds Used During Construction											
37	Utility Operating Income	\$13	\$242	\$209	\$35	\$101	(\$90)	\$247	\$38	\$185	\$18	\$667

CenterPoint Energy
Revenue Requirements
Operating Income Adjustments
Test Year - Twelve Months Ending Sept. 30, 2016

Line No.	Description	Corp Alloc (Aircraft)	Qualified Pension Exp (Serv Co)	Corp Alloc (Compensation)	Distribution Capital	New HQ	Warehouse	Property Tax Exp	Misc. Employee Expenses	Plant Retirements	Total Adjustments = Sum of Columns B through AE
	A	W	X	Y	Z	AA	AB	AC	AE	AF	
1	Operating Revenue										
2	Sales of Gas										(34,845)
3	Residential										(18,237)
4	Commercial & Industrial										(\$53,083)
5	Total Firm	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(8,909)
6	Dual Fuel										(51)
7	Transportation										769
8	Other										0
9	Less: Franchise Fees										0
10	Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$61,274)
11	Late Payment Charges										(359)
12	Other Operating Revenue										0
13	Total Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$61,632)
14	Operating Expenses										
15	Operation and Maintenance										(65,032)
16	Cost of Gas Purchases										167
17	Production										0
18	Other Gas Supply										0
19	Underground Storage										0
20	Other Storage										0
21	Distribution & Utilization										(741)
22	Customer Accounting										(716)
23	Customer Service & Informational										200
24	Sales										0
25	Administrative & General	(34)	(45)	(2,252)		(18)	0		(241)		(4,255)
26	Total Operation	(\$34)	(\$45)	(\$2,252)	\$0	(\$18)	\$0	\$0	(\$241)	\$0	(\$70,377)
27	Maintenance Expenses										0
28	Total Operation & Maintenance	(\$34)	(\$45)	(\$2,252)	\$0	(\$18)	\$0	\$0	(\$241)	\$0	(\$70,377)
29	Depreciation and Amortization				(43)	(509)	(155)			(110)	(817)
30	Federal & State Income Taxes										0
31	Deferred Income Taxes										0
32	Investment Tax Credit Adjustment										0
33	Other Taxes					(18)	(49)	(2,045)			(2,113)
34	Total Operating Expenses	(\$34)	(\$45)	(\$2,252)	(\$43)	(\$545)	(\$204)	(\$2,045)	(\$241)	(\$110)	(\$73,307)
35	Operating Income Before AFUDC	34	45	2,252	43	545	204	2,045	241		11,675
36	Allowance for Funds Used During Construction										0
37	Utility Operating Income	\$34	\$45	\$2,252	\$43	\$545	\$204	\$2,045	\$241	\$0	\$11,675

CENTERPOINT ENERGY
REVISED SCHEDULES OF RATES AND CHARGES

Commission Order, page 85, Ordering Point 44. a. i.

A breakdown of Total Operating Revenue by type.

CenterPoint Energy
Docket No. G-008/GR-15-424
Summary of TY Operating Revenues
Compliance Filing -9-8-2016
SCHEDULE A-1

Summary of Test Year Operating Revenues
Under Final Rates

Line No.	Class (a)	Total Revenue Responsibility in (\$000) (c)
1	Residential	\$499,920
2	Comm Firm A	18,117
3	Comm/Ind Firm B	36,694
4	Comm/Ind Firm C	160,334
5	Large General Firm Sales and Transport	9,771
6	Small Dual Fuel A - Sales Service	33,076
7	Small Dual Fuel A - Transport	2,058
8	Small Dual Fuel B - Sales Service	18,824
9	Small Dual Fuel B - Transport	1,914
10	Large Volume - Dual Fuel Sales Service	16,098
11	Large Volume - Dual Fuel Transport	15,548
12		
13	TOTAL	<u>\$812,356</u>
14		
15	Other	\$1,877
16	Late Payment Charges	\$2,858
17	Rounding	\$1
18		
19	Total	\$817,092

CENTERPOINT ENERGY

SCHEDULES SHOWING ALL BILLING DETERMINANTS

Commission Order, page 85, Ordering Point 44. a. ii.

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

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

Schedules:

A-2a, Page 1 Summary of Test Year Operating Revenues under Present and Final Rates

A-2a, Page 2 Summary Calculation of Total Present and Final Revenue

A-2b Total Number of Customers, the Customer Charge, and Total Customer Charge revenue by customer class

A-2c, Part 1 Summary of New Billing Rates by components (2 pages)

A-2c, Part 2 Calculation of Present and Final Rate Revenue By Class

PUBLIC DATA - Trade Secret Data has been Excised – 8 Pages

- Uses the same format as schedule E-2/KRN-WP, Volume 3 Schedule 62, Work paper 2 and Hearing Exhibit 74

*Contains Public Information,
Non-Public Data has been Excised.*

CenterPoint Energy
Docket No. G-008/GR-15-424
Summary of TY Operating Revenues
Compliance Filing - 9-8-2016
SCHEDULE A-2a, PAGE 1

Summary of Test Year Operating Revenues
Under Present and Final Rates - Final Authorized \$27,541,000

Line No.	Class (a)	Total Test Year Revenue @ Present Rates (b)	Total Final Revenue Responsibility (c)	Proposed Increase (Decrease) (d)	Percentage Change (e)
1	Residential	\$484,710,309	\$499,920,489	\$15,210,180	3.1%
2	Comm Firm A	\$16,672,629	\$18,117,002	\$1,444,373	8.7%
3	Comm/Ind Firm B	\$34,718,526	\$36,694,164	\$1,975,638	5.7%
4	Comm/Ind Firm C	\$156,304,208	\$160,334,447	\$4,030,239	2.6%
5	Large General Firm Sales and Transport	\$9,754,713	\$9,771,381	\$16,668	0.2%
6	Small Dual Fuel A - Sales Service	\$32,296,825	\$33,076,216	\$779,391	2.4%
7	Small Dual Fuel A - Transport	\$1,912,681	\$2,057,597	\$144,916	7.6%
8	Small Dual Fuel B - Sales Service	\$18,490,836	\$18,824,486	\$333,649	1.8%
9	Small Dual Fuel B - Transport	\$1,798,870	\$1,914,412	\$115,541	6.4%
10	Large Volume - Dual Fuel Sales Service	\$15,345,195	\$16,098,072	\$752,877	4.9%
11	Large Volume - Dual Fuel Transport	\$12,810,699	\$15,548,226	\$2,737,528	21.4%
12					
13					
14	TOTAL	<u>\$784,815,492</u>	<u>\$812,356,492</u>	<u>\$27,541,000</u>	3.5%

CenterPoint Energy
Docket No. G-008/GR-15-424
Summary of TY Operating Revenues
Compliance Filing - 9-8-2016
SCHEDULE A-2a, PAGE 2

SUMMARY CALCULATION of TOTAL PRESENT and FINAL REVENUE

Line No.	Class of Service	Total Test Year Revenue @ DOC FC (b)=(c)+(d)	Late Payment/ Other Revenue 2/ (c)	Present Billing Rate Revenue (d) 1/	Final Billing Rate Revenue Increase (Decrease) (e) 1/	Final Billing Rate Revenue (f)=(d)+(e) 1/	Late Payment/ Other Revenue (g)	Total Proposed Revenue Responsibility (h)=(f)+(g)
1	Residential	\$488,128,312	\$3,418,003	\$484,710,309	\$15,210,180	\$499,920,489	\$3,418,003	\$503,338,491
2	Comm Firm A	\$16,849,657	\$177,028	\$16,672,629	\$1,444,373	\$18,117,002	\$177,028	18,294,030
3	Comm/Ind Firm B	\$34,906,985	\$188,459	\$34,718,526	\$1,975,638	\$36,694,164	\$188,459	36,882,623
4	Comm/Ind Firm C	\$156,839,802	\$535,594	\$156,304,208	\$4,030,239	\$160,334,447	\$535,594	160,870,041
5	Large General Firm Sales and Transport	\$9,841,186	\$86,473	\$9,754,713	\$16,668	\$9,771,381	\$86,473	9,857,854
6	Small Dual Fuel A - Sales Service	\$32,358,039	\$61,214	\$32,296,825	\$779,391	\$33,076,216	\$61,214	33,137,430
7	Small Dual Fuel A - Transport	\$1,939,686	\$27,005	\$1,912,681	\$144,916	\$2,057,597	\$27,005	2,084,603
8	Small Dual Fuel B - Sales Service	\$18,536,904	\$46,068	\$18,490,836	\$333,649	\$18,824,486	\$46,068	18,870,554
9	Small Dual Fuel B - Transport	\$1,808,421	\$9,550	\$1,798,870	\$115,541	\$1,914,412	\$9,550	1,923,962
10	Large Volume - Dual Fuel Sales Service	\$15,354,117	\$8,923	\$15,345,195	\$752,877	\$16,098,072	\$8,923	16,106,995
11	Large Volume - Dual Fuel Transport	\$12,987,382	\$176,684	\$12,810,699	\$2,737,528	\$15,548,226	\$176,684	15,724,910
12								
13	TOTAL	<u>\$789,550,492</u>	<u>\$4,735,000</u>	<u>\$784,815,492</u>	<u>\$27,541,000</u>	<u>\$812,356,492</u>	<u>\$4,735,000</u>	<u>\$817,091,492</u>

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

2/ Late Payment allocated to classes based on allocation in original filing

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

Line No.	Class (a)	Customers 1/ (b)	Monthly Charge (c)	Customer Charge Revenue (d)
1	Residential	772,307	\$9.50	\$88,042,970
2	Comm Firm A	28,961	\$15.00	\$5,213,055
3	Comm/Ind Firm B	19,602	\$21.00	\$4,939,683
4	Comm/Ind Firm C	18,783	\$43.00	\$9,692,157
5	Large General Firm Sales and Transport	5	\$800/\$900 *	\$52,800
6	Total Firm	839,658		107,940,665
7				
8	Small Dual Fuel A-Sales	1,753	\$50.00	\$1,051,583
9	Small Dual Fuel A-Transport	184	\$150.00	\$331,850
10	Small Dual Fuel B - Sales	309	\$80.00	\$296,880
11	Small Dual Fuel B - Transport	76	\$180.00	\$163,620
12	Total Small Dual Fuel	2,322		1,843,933
13				
14	Lrg Vol Dual Fuel - Sales	83	\$800.00	\$796,800
15	Lrg Vol Dual Fuel - Transport	156	\$900.00	\$1,684,800
16				
17	Total Large	239		2,481,600
18				
19	TOTAL	842,219		\$112,266,198
20				
21				

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

CenterPoint Energy
Docket No. G-008/GR-15-424
Compliance Filing - 9-8-2016
SCHEDULE A-2c., Part 1

Page 1 of 2

ADJUSTMENT OF TEST YEAR BASE RATE TO FINAL BASE RATE				
Line No.	Description (a)	TEST YEAR Base Rate (b)	Adjustment (c)	FINAL Base Rate (d)
1	FIRM: SALES SERVICE			
2				
3	<u>Residential</u>			
4	Basic Charge	9.50	0.00	9.50
5	Delivery Charge 1/	0.18458	\$0.02190	0.20648
6	GAP Charge	0.00519	(\$0.00057)	0.00462
7	Cost of Gas	0.42543	(\$0.05903)	0.36640
8	Total Rate	0.61520	(\$0.03770)	0.57750
9				
10	<u>Commercial A</u>			
11	Basic Charge	15.00	0.00	15.00
12	Delivery Charge 1/	0.14129	\$0.06529	0.20658
13	GAP Charge	0.00519	(\$0.00057)	0.00462
14	Cost of Gas	0.42665	(\$0.05965)	0.36700
15	Total Rate	0.57313	\$0.00507	0.57820
16				
17	<u>Commercial/Industrial B</u>			
18	Basic Charge	21.00	0.00	21.00
19	Delivery Charge 1/	0.13349	\$0.03391	0.16740
20	GAP Charge	0.00519	(\$0.00057)	0.00462
21	Cost of Gas	0.42665	(\$0.05965)	0.36700
22	Total Rate	0.56533	(\$0.02631)	0.53902
23				
24	<u>Commercial/Industrial C</u>			
25	Basic Charge	\$43.00	0.00	\$43.00
26	Delivery Charge 1/	0.13969	\$0.01460	0.15429
27	GAP Charge	0.00519	(\$0.00057)	0.00462
28	Cost of Gas	0.42334	(\$0.05771)	0.36563
29	Total Rate	0.56822	(\$0.04368)	0.52454
30				
31	<u>Large General Service</u>			
32	Basic Charge	\$800.00	\$0.00	\$800.00
33	Demand Charge (per unit of Peak Day Demand)			
34	Delivery Charge	0.42539	\$0.00000	0.42539
35	Cost of Gas	0.56095	(\$0.00005)	0.56090
36	Total Demand	0.98634	(\$0.00005)	0.98629
37				
38	Commodity Charge (Per Therm usage)			
39	Delivery Charge 1/	0.05034	\$0.02223	0.07257
40	GAP Charge	0.00519	(\$0.00057)	0.00462
41	Cost of Gas	0.34184	(\$0.05248)	0.28936
42	Total Commodity	0.39737	(\$0.03082)	0.36655
43				
44	1/ Per-Therm Delivery charge Includes CCRC, does not include CCRA			

ADJUSTMENT OF TEST YEAR BASE RATE TO FINAL BASE RATE

Line No.	Description (a)	TEST YEAR Base Rate (b)	Adjustment (c)	FINAL Base Rate (d)
1	DUAL FUEL: SALES SERVICE			
2				
3	<u>Small Volume Dual Fuel-A</u>			
4	Basic Charge	\$50.00	0.00	\$50.00
5	Delivery Charge 1/	0.11409	\$0.01046	0.12455
6	Cost of Gas	0.36059	(\$0.05735)	0.30324
7	Total Rate	0.47468	(\$0.04689)	0.42779
8				
9	<u>Small Volume Dual Fuel-B</u>			
10	Basic Charge	\$80.00	0.00	\$80.00
11	Delivery Charge 1/	0.10697	\$0.00756	0.11453
12	Cost of Gas	0.36059	(\$0.05735)	0.30324
13	Total Rate	0.46756	(\$0.04979)	0.41777
14				
15	<u>Large Volume Dual Fuel</u>			
16	Basic Charge	\$800.00	0.00	\$800.00
17	Delivery Charge 1/	0.05034	\$0.02223	0.07257
18	Cost of Gas	0.34184	(\$0.05248)	0.28936
19	Total Rate	0.39218	(\$0.03025)	0.36193
20				
21	TRANSPORTATION SERVICE			
22				
23	<u>Small Firm - Commercial/Industrial C</u>			
24	Basic Charge	\$143.00	\$0.00	\$143.00
25	Delivery Charge 1/	0.13969	\$0.01460	0.15429
26	GAP Charge	0.00519	(\$0.00057)	0.00462
27	Total Rate	0.14488	\$0.01403	0.15891
28				
29	<u>Large Volume Firm Transport</u>			
30	Basic Charge	\$900.00	\$0.00	\$900.00
31				
32	Demand Delivery Chrg (Peak Day)	\$0.42539	\$0.00000	0.42539
33				
34	Commodity Delivery Chrg	\$0.05034	\$0.02223	0.07257
35	GAP Charge	\$0.00519	(\$0.00057)	0.00462
36	Total Commodity Rate	\$0.05553	\$0.02166	\$0.07719
37				
38	<u>Small Volume Dual Fuel-A</u>			
39	Basic Charge	\$ 150.00	\$0.00	\$ 150.00
40	Delivery Charge 1/	0.11409	\$0.01046	0.12455
41				
42	<u>Small Volume Dual Fuel-B</u>			
43	Basic Charge	\$ 180.00	\$0.00	\$ 180.00
44	Delivery Charge 1/	0.10697	\$0.00756	0.11453
45				
46	<u>Large Volume Dual Fuel</u>			
47	Basic Charge	\$ 900.00	\$0.00	\$ 900.00
48	Delivery Charge 1/	0.05034	\$0.02223	0.07257
49				
50	1/ Delivery charge Includes CCRC, does not include CCRA			

CenterPoint Energy
 CALCULATION OF PRESENT AND FINAL BILLING RATE REVENUE BY CLASS
 Authorized: \$27,541,000

PUBLIC INFORMATION
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)		(e)		(f)	(g)	(h)		(i)		(j)	(k)	(m)
			Test-Year Units	Present Rates	Test-Year Revenues	Present Rates			Test-Year Revenues	Final Rates	Final Revenue	Final Rates			
1	Residential	Customer Bills	9,267,681	\$9.50	\$88,042,970	Customer Bills	\$9.50	\$88,042,970	0						
2		Total Sales	71,321,240	\$5.5617	\$396,667,339	Total Sales	\$5.7750	\$411,877,519	15,210,180				3.1%	7.3%	
3		Total Revenue			\$484,710,309	Total Revenue		\$499,920,489	15,210,180						
4															
5		Demand	71,321,240	\$0.7523	53,654,969	Demand	\$0.7523	53,654,969	0						
6		Commodity	71,321,240	\$2.9117	207,666,054	Commodity	\$2.9117	207,666,054	0						
7		Cost of Gas	71,321,240	\$3.6640	261,321,023	Cost of Gas	\$3.6640	261,321,023	0						
8		Delivery Chrg B4 CIP	71,321,240	\$1.6609	118,457,447	Delivery Chrg B4 CIP	\$1.8720	133,510,720	15,053,273						
9		CCRC	71,321,240	\$0.1849	13,187,297	CCRC	\$0.1928	13,750,735	563,438						
10		Delivery Charge Total	71,321,240	\$1.8458	131,644,744	Delivery Charge Total	\$2.0648	147,261,455	15,616,711						
11		GAP	71,321,240	\$0.0519	3,701,572	GAP	\$0.0462	3,295,041	(406,531)						
12		Total Billing Rate	71,321,240	\$5.5617	396,667,339	Total Billing Rate	\$5.7750	411,877,519	15,210,180						
13															
14															
15															
16	Com A	Customer Bills	347,537	\$15.00	\$5,213,055	Customer Bills	\$15.00	\$5,213,055	0						
17		Total Sales	2,231,747	\$5.1348	\$11,459,574	Total Sales	\$5.7820	\$12,903,947	1,444,373				8.7%	18.1%	
18		Total Revenue			\$16,672,629	Total Revenue		\$18,117,002	1,444,373						
19															
20															
21		Demand	2,231,747	\$0.7523	1,678,943	Demand	\$0.7523	1,678,943	0						
22		Commodity	2,231,747	\$2.9177	6,511,568	Commodity	\$2.9177	6,511,568	0						
23		Cost of Gas	2,231,747	\$3.6700	8,190,511	Cost of Gas	\$3.6700	8,190,511	0						
24		Delivery Chrg B4 CIP	2,231,747	\$1.2280	2,740,585	Delivery Chrg B4 CIP	\$1.8730	4,180,048	1,439,463						
25		CCRC	2,231,747	\$0.1849	412,650	CCRC	\$0.1928	430,281	17,631						
26		Delivery Charge Total	2,231,747	\$1.4129	3,153,235	Delivery Charge Total	\$2.0658	4,610,329	1,457,094						
27		GAP	2,231,747	\$0.0519	115,828	GAP	\$0.0462	103,107	(12,721)						
28		Total Billing Rate	2,231,747	\$5.1348	11,459,574	Total Billing Rate	\$5.7820	12,903,947	1,444,373						

CenterPoint Energy
 CALCULATION OF PRESENT AND FINAL BILLING RATE REVENUE BY CLASS
 Authorized: \$27,541,000

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(a)	(b)	(c)	(d)	(e)		(f)	(g)	(h)		(i)		(j)	Increase Including CIP/GAP (k)	Increase Margin Only (m)
				Present Rates	Test-Year Revenues			Final Rates	Final Revenue	Revenue Change				
Large Volume Firm - Sales Service														
1		Customer Bills	[Trade Secret Data Begins...]				Customer Bills	[Trade Secret Data Begins...]						
2		Total Sales					Total Sales							
3		Demand Delivery					Demand Delivery							
4		CIP Exempt Volumes					CIP Exempt Volumes							
5		Total Revenue					Total Revenue							
6														
7		Demand (peak x 12))					Demand							
8		Commodity					Commodity							
9		Cost of Gas					Cost of Gas							
10		Delivery Chrg B4 CIP					Delivery Chrg B4 CIP							
11		CCRC					CCRC							
12		Delivery Charge Total					Delivery Charge Total							
13		GAP					GAP							
14		Total Billing Rate					Total Billing Rate							
15						... Trade Secret Data Ends]								
16														
17														
Large Volume Firm - MR - Transport														
18		Customer Bills	[Trade Secret Data Begins...]				Customer Bills	[Trade Secret Data Begins...]						
19		Total Sales					Total Sales							
20		Demand Delivery/Min Vol					Demand Delivery/Min Vol							
21		CIP Exempt Volumes					CIP Exempt Volumes							
22		Total Revenue					Total Revenue							
23														
24		Demand					Demand							
25		Commodity					Commodity							
26		Cost of Gas					Cost of Gas							
27		Delivery Chrg B4 CIP					Delivery Chrg B4 CIP							
28		CCRC					CCRC							
29		Delivery Charge Total					Delivery Charge Total							
30		GAP					GAP							
31		Total Billing Rate					Total Billing Rate							
32						... Trade Secret Data Ends]								
33														
34														
35														
36														
37	Total Large Volume Firm		Test-Year Units	Present Rates	Test-Year Revenues		Final Rates	Final Revenue	Revenue Change					
38		Customer Bills	60		\$52,800 *		Customer Bills	\$52,800 *	0					
39	Sales Service + Transport	Total Sales	16,896,936		\$1,558,964 *		Total Sales	\$1,575,631 *	16,668					
40		Demand Delivery			\$8,142,950 *		Demand Delivery	\$8,142,950 *	0					
41		CIP Exempt Volumes	15,831,723				CIP Exempt Volumes							
42		Total Revenue			\$9,754,713		Total Revenue	\$9,771,381	16,668	0.2%				

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(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(m)
			Present Rates				Final Rates		Revenue Change		
1	SVDF A--Sales Service	Customer Bills	Test-Year Units	Present Rates	Test-Year Revenues	Customer Bills	Final Rates	Final Revenue			
2		Total Sales	21,032	\$50.00	\$1,051,583	Total Sales	\$50.00	\$1,051,583	0		
3		MR Revenue	7,452,060	\$4.1733	\$31,099,682	MR Revenue	\$4.2779	\$31,879,073	779,391		
4		Total Revenue			\$32,296,825	Total Revenue		\$33,076,216	0		
5									779,391	2.4%	8.7%
6		Demand	7,452,060	\$0.0000	\$0	Demand	\$0.0000	\$0	0		
7		Commodity	7,452,060	\$3.0324	\$22,597,627	Commodity	\$3.0324	\$22,597,627	0		
8		Cost of Gas	7,452,060	\$3.0324	\$22,597,627	Cost of Gas	\$3.0324	\$22,597,627	0		
9		Delivery Chrg B4 CIP	7,452,060	\$0.9560	\$7,124,169	Delivery Chrg B4 CIP	\$1.0527	\$7,844,689	720,520		
10		CCRC	7,452,060	\$0.1849	\$1,377,886	CCRC	\$0.1928	\$1,436,757	58,871		
11		Delivery Charge Total	7,452,060	\$1.1409	\$8,502,055	Delivery Charge Total	\$1.2455	\$9,281,446	779,391		
12		GAP	0	\$0.0000	\$0	GAP	\$0.0000	\$0	0		
13		Total Billing Rate	7,452,060	\$4.1733	\$31,099,682	Total Billing Rate	\$4.2779	\$31,879,073	779,391		
14											
15											
16											
17			Present Rates				Final Rates		Revenue Change		
18	SVDF A--Transport	Customer Bills	Test-Year Units	Present Rates	Test-Year Revenues	Customer Bills	Final Rates	Final Revenue			
19		Total Sales	2,212	\$150.00	\$331,850	Total Sales	\$150.00	\$331,850	0		
20		MR Revenue	1,385,600	\$1.1409	\$1,580,831	MR Revenue	\$1.2455	\$1,725,747	144,916		
21		Total Revenue			\$1,912,681	Total Revenue		\$2,057,597	0		
22									144,916	7.6%	8.1%
23		Demand	1,385,600	\$0.0000	\$0	Demand	\$0.0000	\$0	0		
24		Commodity	1,385,600	\$0.0000	\$0	Commodity	\$0.0000	\$0	0		
25		Cost of Gas	1,385,600	\$0.0000	\$0	Cost of Gas	\$0.0000	\$0	0		
26		Delivery Chrg B4 CIP	1,385,600	\$0.9560	\$1,324,634	Delivery Chrg B4 CIP	\$1.0527	\$1,458,604	133,970		
27		CCRC	1,385,600	\$0.1849	\$256,197	CCRC	\$0.1928	\$267,144	10,946		
28		Delivery Charge Total	1,385,600	\$1.1409	\$1,580,831	Delivery Charge Total	\$1.2455	\$1,725,747	144,916		
29		GAP	0	\$0.0000	\$0	GAP	\$0.0000	\$0	0		
30		Total Billing Rate	1,385,600	\$1.1409	\$1,580,831	Total Billing Rate	\$1.2455	\$1,725,747	144,916		
31											
32											
33											
34			Present Rates				Final Rates		Revenue Change		
35	SVDF A--Sales Service + Transport	Customer Bills	Test-Year Units	Present Rates	Test-Year Revenues	Customer Bills	Final Rates	Final Revenue			
36		Total Sales	23,244		1,383,433 *	Total Sales		1,383,433 *	0		
37		MR Revenue	8,837,660		32,680,513 *	MR Revenue		33,604,820 *	924,307		
38		Total Revenue			34,209,506 *	Total Revenue		35,133,814 *	0		
39									924,307	2.7%	

CenterPoint Energy
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26	Cost of Gas	1,528,700	0.0000	\$0	Cost of Gas	0.0000	\$0	0																																																																																																																																																											
27	Delivery Chrg B4 CIP	1,528,700	0.8848	\$1,352,594	Delivery Chrg B4 CIP	0.9525	\$1,456,058	103,464																																																																																																																																																											
28	CCRC	1,528,700	0.1849	\$282,657	CCRC	0.1928	\$294,733	12,077																																																																																																																																																											
29	Delivery Charge Total	1,528,700	1.0697	\$1,635,250	Delivery Charge Total	1.1453	\$1,750,792	115,541																																																																																																																																																											
30	GAP	0	0.0000	\$0	GAP	0.0000	\$0	0																																																																																																																																																											
31	Total Billing Rate	1,528,700	1.0697	\$1,635,250	Total Billing Rate	1.1453	\$1,750,792	115,541																																																																																																																																																											
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="4">Present Rates</th> <th colspan="4">Final Rates</th> <th colspan="2">Revenue Change</th> </tr> <tr> <th></th> <th>Test-Year Units</th> <th>Present Rates</th> <th>Test-Year Revenues</th> <th></th> <th>Final Rates</th> <th>Final Revenue</th> <th></th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>35</td> <td>Customer Bills</td> <td>4,620</td> <td></td> <td>\$460,500</td> <td>Customer Bills</td> <td></td> <td>\$460,500</td> <td>0</td> <td></td> </tr> <tr> <td>36</td> <td>Total Sales</td> <td>5,943,143</td> <td></td> <td>\$19,743,738</td> <td>Total Sales</td> <td></td> <td>\$20,192,929</td> <td>449,191</td> <td></td> </tr> <tr> <td>37</td> <td>MR Revenue</td> <td></td> <td></td> <td>\$85,468</td> <td>MR Revenue</td> <td></td> <td>\$85,468</td> <td>0</td> <td></td> </tr> <tr> <td>38</td> <td>Total Revenue</td> <td></td> <td></td> <td>\$20,289,707</td> <td>Total Revenue</td> <td></td> <td>\$20,738,897</td> <td>449,191</td> <td>2.2%</td> </tr> </tbody> </table>														Present Rates				Final Rates				Revenue Change			Test-Year Units	Present Rates	Test-Year Revenues		Final Rates	Final Revenue				35	Customer Bills	4,620		\$460,500	Customer Bills		\$460,500	0		36	Total Sales	5,943,143		\$19,743,738	Total Sales		\$20,192,929	449,191		37	MR Revenue			\$85,468	MR Revenue		\$85,468	0		38	Total Revenue			\$20,289,707	Total Revenue		\$20,738,897	449,191	2.2%																																																																																										
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CenterPoint Energy
 CALCULATION OF PRESENT AND FINAL BILLING RATE REVENUE BY CLASS
 Authorized: \$27,541,000

PUBLIC INFORMATION
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)	(e)		(f)	(g)	(h)		(i)	(j)	Increase Including CIP/GAP (k)	Increase Margin Only (m)
				Present Rates	Test-Year Revenues			Final Rates	Final Revenue				
	Large Volume DF--Sales Service		Test-Year Units	Present Rates	Test-Year Revenues			Final Rates	Final Revenue		Revenue Change		
1			[Trade Secret Data Begins...					[Trade Secret Data Begins...					
2		Customer Bills					Customer Bills						
3		Total Sales					Total Sales						
4		Curtailement					Curtailement						
5		Total Revenue					Total Revenue						
6													
7		Demand					Demand						
8		Commodity					Commodity						
9		Cost of Gas					Cost of Gas						
10		Delivery Chrg B4 CIP					Delivery Chrg B4 CIP						
11		CCRC					CCRC						
12		Delivery Charge Total					Delivery Charge Total						
13		GAP					GAP						
14		Total Billing Rate					Total Billing Rate						
15													
16			... Trade Secret Data Ends]					... Trade Secret Data Ends]					
17	Large Volume DF--MR-Sales Service		Test-Year Units	Present Rates	Test-Year Revenues			Final Rates	Final Revenue		Revenue Change		
18			[Trade Secret Data Begins...					[Trade Secret Data Begins...					
19		Customer Bills					Customer Bills						
20		Total Sales					Total Sales						
21		CIP Exempt Volumes					CIP Exempt Volumes						
22		Minimum Volume					Minimum Volume						
23		Curtailement					Curtailement						
24		Total Revenue					Total Revenue						
25													
26		Demand					Demand						
27		Commodity					Commodity						
28		Cost of Gas					Cost of Gas						
29		Delivery Chrg B4 CIP					Delivery Chrg B4 CIP						
30		CCRC					CCRC						
31		Delivery Charge Total					Delivery Charge Total						
32		GAP					GAP						
33		Total Billing Rate					Total Billing Rate						
34													
35			... Trade Secret Data Ends]					... Trade Secret Data Ends]					
36	Total Large Volume DF		Test-Year Units	Present Rates	Test-Year Revenues			Final Rates	Final Revenue		Revenue Change		
37	Sales Service, incl. Market Rate	Customer Bills	996	\$800.00	\$796,800	*	Customer Bills	\$800.00	\$796,800	*	0		
38		Total Sales	4,359,130	\$3.3970	\$14,707,038	*	Total Sales	\$3.6193	\$15,468,978	*	761,941		
39		Minimum Volume			\$13,167	*	Minimum Volume		\$13,167	*	0		
40		CIP Exempt Volumes	0			*	CIP Exempt Volumes			*			
41		Curtailement	(50,900)	\$3.3970	(\$171,810)	*	Curtailement	\$3.6193	(\$180,874)	*	(9,064)		
42		Total Revenue			\$15,345,195	*	Total Revenue		\$16,098,072	*	752,877		4.9%

CenterPoint Energy
 CALCULATION OF PRESENT AND FINAL BILLING RATE REVENUE BY CLASS
 Authorized: \$27,541,000

PUBLIC INFORMATION
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)	(e)		(f)	(g)	(h)		(i)	(j)	Increase Including CIP/GAP (k)	Increase Margin Only (m)
				Test-Year Units	Present Rates			Test-Year Revenues	Final Rates				
Large Volume DF--Transport													
1		Customer Bills	[Trade Secret Data Begins...			Customer Bills	[Trade Secret Data Begins...						
2		Total Sales				Total Sales							
3		Minimum Volume/Demand			*	Minimum Volume			*				
4		Curtailment			*	Curtailment			*				
5		Total Revenue			*	Total Revenue			*				
6													
7		Demand				Demand							
8		Commodity				Commodity							
9		Cost of Gas				Cost of Gas							
10		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP							
11		CCRC				CCRC							
12		Delivery Charge Total				Delivery Charge Total							
13		GAP				GAP							
14		Total Billing Rate				Total Billing Rate							
15					... Trade Secret Data Ends]								
Large Volume DF- MR- Transport													
17			Test-Year Units	Present Rates			Final Rates	Final Revenue			Revenue Change		
18			[Trade Secret Data Begins...			[Trade Secret Data Begins...							
19		Customer Bills				Customer Bills							
20		Total Sales			*	Total Sales			*				
21		CIP Exempt Volumes			*	CIP Exempt Volumes			*				
22		Minimum Volume/Demand			*	Minimum Volume			*				
23		Curtailment			*	Curtailment			*				
24		Total Revenue			*	Total Revenue			*				
25													
26		Demand				Demand							
27		Commodity				Commodity							
28		Cost of Gas				Cost of Gas							
29		Delivery Chrg B4 CIP				Delivery Chrg B4 CIP							
30		CCRC				CCRC							
31		Delivery Charge Total				Delivery Charge Total							
32		GAP				GAP							
33		Total Billing Rate				Total Billing Rate							
34					... Trade Secret Data Ends]								
Total Large Volume DF Transport													
36			Test-Year Units	Present Rates	Test-Year Revenues		Final Rates	Final Revenue		Revenue Change			
37		Customer Bills	1,872	\$900.00	\$1,684,800	*	Customer Bills	\$900.00	\$1,684,800	*	0		
38		Total Sales	35,403,211	\$0.5034	\$11,134,388	*	Minimum Volume	\$0.7257	\$13,903,698	*	2,769,310		
39	(DF Transport + MR Transport)	CIP Exempt Volumes	17,968,465			*	CIP Exempt Volumes			*	0		
40		Minimum Volume/Demand	0		\$142,674	*			\$142,674	*	0		
41		Curtailment	(367,600)	\$0.5034	(\$151,163)	*		\$0.7257	(\$182,946)	*	(31,783)		
42		Total Revenue			\$12,810,699		Total Revenue		\$15,548,226		2,737,528	21.4%	

CenterPoint Energy
 CALCULATION OF PRESENT AND FINAL BILLING RATE REVENUE BY CLASS
 Authorized: \$27,541,000

PUBLIC INFORMATION
 Trade Secret Data has been Excised

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(m)
Rate Class				Present Rates			Final Rates		Revenue Change	Increase Including CIP/GAP	Increase Margin Only
		Test-Year Units			Test-Year Revenues			Final Revenue			
	Total Company Revenue Results										
1		Customer Bills	10,106,632		112,266,198	Customer Bills		112,266,198		0	
2		Total Thruput (B4 curtail)	179,603,010		664,342,448	Total Sales		691,924,295		27,581,846	
3		CIP Exempt Volumes	33,800,188			CIP Exempt Volumes					
4		Demand Del/Min. Vol/MR			\$8,529,819	Demand Del/Min. Vol/MR		\$8,529,819		0	
5		Curtailment	(418,500)		(\$322,973)	Curtailment		(\$363,819)		(40,846)	
6		Total Revenue	179,184,510		784,815,492	Total Revenue		812,356,492		27,541,000	3.5% 8.8%
7											
8		Demand (Firm Sales)	108,202,475		\$81,385,114	Demand		\$81,385,114		0	
9		Commodity (thruput aft curtail)	124,377,208		\$363,330,313	Commodity		\$363,330,313		0	
10		Cost of Gas			\$444,715,427	Cost of Gas		\$444,715,427		0	
11		Delivery Chrg B4 CIP	179,184,510		\$186,806,779	Delivery Chrg B4 CIP		\$213,815,997		27,009,218	
12		CCRC (Thruput less CIP exen)	145,384,322		\$26,881,561	CCRC		\$28,030,097		1,148,536	
13		Delivery Charge Total			\$213,688,340	Delivery Charge Total		\$241,846,094		28,157,754	
14		GAP (Firm only)	108,202,475		\$5,615,708	GAP		\$4,998,954		(616,754)	
15		Total Revenue			\$664,019,475	Total Billing Rate		\$691,560,475		27,541,000	
16											
17											
18			Natural Gas Sales Service Revenue		\$758,709,382			\$783,244,294		24,534,912	3.2%
19			Transport Revenue		\$26,106,111			\$29,112,198		3,006,088	11.5%
20			Total Revenue		\$784,815,492			\$812,356,492		27,541,000	3.5%
21											
22			Net Margin Revenue 1/		\$340,100,065			\$367,641,065		27,541,000	8.1%
23											
24			Volumetric Margin Revenue 2/		\$227,833,867			\$255,374,867		27,541,000	12.1%
25											
26											
27											
28											

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

CENTERPOINT ENERGY
REVISED TARIFFS

Commission Order, page 85, Ordering Point 44. a. iii.

Revised tariff sheets incorporating authorized rate design decisions;

Schedules:

A-3, Part 1: Revised tariff sheets incorporating authorized rate design decisions
Revisions to original filing are shaded/deletions are line-out.

A-3, Part 2 Derivation of Maximums and Minimums – Market Rate tariffs
Section V, Page 11

A-3, Part 3 Gas Affordability Program (GAP) Recovery Rate calculation

NOTES :

Please see Schedule D, Page 8 of 8 for the calculation of the Conservation Improvement Program (CIP) calculation of the Base Recovery Rate (CCRC).

Please see Schedule B4 for the calculation of the Large General Service Delivery Charges.

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

- Section V, page 13 – Conservation Improvement Program Adjustment Rider
 - Docket G-008/M-15-421
 - On August 11, 2015, the Commission approved the tariff revisions
 - Note that on August 25, 2016 the Commission verbally approved and updated CCRA to be effective 1-1-2017, which is not reflected in the tariff pages included in this Rate Case compliance filing.
- Section V, page 14.b – Small Volume Firm Transportation Service (Continued)
 - Docket G-008/M-16-155
 - On April 12, 2016, the Commission approved the tariff revisions
- Section V, page 16.b – Small Volume Dual Fuel Transportation Service (Continued)
 - Docket G-008/M-16-155
 - On April 12, 2016, the Commission approved the tariff revisions

V. RATE SCHEDULES AND APPLICABLE PROVISIONS

CENTERPOINT ENERGY (CONTINUED)

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Large Volume Firm Transportation Service _____	15 - 15.c
Small Volume Dual Fuel Transportation Service _____	16 - 16.d
<i>Reserved for Future Use</i> _____	17
Large Volume Dual Fuel Transportation Service _____	18 - 18.d
<i>Reserved for Future Use</i> _____	19
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Daily Balancing Service Rider _____	21

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Contact List

The following person should be contacted in connection with questions pertaining to the contents of this rate book:

Mr. Jeff Daugherty
Director, Regulatory Affairs
CenterPoint Energy Minnesota Gas
~~800 LaSalle Avenue~~505 Nicollet Mall
Minneapolis, Minnesota 55402

Normal Gas Service Line

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

Notices

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

A written notice from CenterPoint Energy may either be delivered or mailed to the customers' last known address. A written notice from the customer may either be delivered or mailed to CenterPoint Energy's main office, ~~800 LaSalle Avenue, Floor 11, 505 Nicollet Mall~~, P.O. Box 59038, Minneapolis, Minnesota, 55459-0038, or to any of its branch, local or regional offices.

Person

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

Premises

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

Regular Construction Season

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

Commission or PUC

The Minnesota Public Utilities Commission

Date Issued

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

CenterPoint Energy Rate Schedules and Applicable Provisions

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TRANSPORTATION SERVICE

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Small Volume Dual Fuel Transportation Service _____	16 - 16.d
<i>Reserved for Future Use</i> _____	17
Large Volume Dual Fuel Transportation Service _____	18 - 18.d
<i>Reserved for Future Use</i> _____	19
<i>Reserved for Future Use</i> _____	20
Daily Balancing Service Rider _____	21

MISCELLANEOUS RIDERS AND ADJUSTMENTS

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

RESIDENTIAL SALES SERVICE

Availability:

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

Rate:

MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
\$9.50	\$0.184580 <u>0.20648</u>	\$0.425430 <u>0.36640</u>

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Therm Factor Adjustment:

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

Minimum Monthly Bill:

When no consumption occurs during the billing month, the Monthly Basic Charge of \$9.50 will apply.

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the 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.

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

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

Franchise Fee:

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

Purchased Gas Adjustment Rider:

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

Gas Affordability Rider:

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

Conservation Improvement Adjustment Rider:

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

Conservation Enabling Rider:

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

Revenue Decoupling Rider:

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

SMALL VOLUME COMMERCIAL AND INDUSTRIAL SALES SERVICE

Availability:

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

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

Rate:

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
Less than 1500 Therms	\$15.00	\$0.141290.20658	\$0.426650.36700
Equal to or greater than 1500 Therms and less than 5000 Therms	\$21.00	\$0.133290.16740	\$0.426650.36700
Greater than or equal to 5000 Therms	\$43.00	\$0.139690.15429	\$0.423340.36563

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Therm Factor Adjustment:

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

Minimum Monthly Bill:

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

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the 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.

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

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

Franchise Fee:

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

Purchased Gas Adjustment Rider:

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

Gas Affordability Rider:

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

Conservation Improvement Adjustment Rider:

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

Conservation Enabling Rider:

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

Revenue Decoupling Rider:

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

LARGE GENERAL FIRM SALES SERVICE

Availability:

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

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

Rate:

	MONTHLY BASIC CHARGE	DELIVERY CHARGE	COST OF GAS
	\$ 800.00		
Demand charge (of billing demand)		\$0.42539	\$0.5609 <u>\$0.56090</u>
Commodity charge (per therm)		\$0.050340 <u>\$0.07257</u>	\$0.341840 <u>\$0.28936</u>

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Therm Factor Adjustment:

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

Minimum Monthly Bill:

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

Billing Demand:

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

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the 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.

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

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

Franchise Fee:

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

Purchased Gas Adjustment Rider:

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

Gas Affordability Rider:

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

Conservation Improvement Adjustment Rider:

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

Revenue Decoupling Rider:

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

SMALL VOLUME DUAL FUEL SALES SERVICE

Availability:

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

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

Rate:

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
Less than 120,000 Therms	\$ 50.00	\$0.114090.12455	\$0.360590.30324
Greater than or equal to 120,000 Therms	\$ 80.00	\$0.106970.11453	\$0.360590.30324

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Therm Factor Adjustment:

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

Special Conditions:

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

SMALL VOLUME DUAL FUEL SALES SERVICE (CONTINUED)**Special Conditions (continued):**

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

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

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

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the 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.

Contract:

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

SMALL VOLUME FIRM / INTERRUPTIBLE SALES SERVICE

Availability

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

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

Rate

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
Less than 120,000 Therms	\$50.00		
Firm Volumes		\$0.139690.15429	\$0.423340.36563
Interruptible Volumes		\$0.114090.12455	\$0.360590.30324
Greater than or equal to 120,000 Therms	\$ 80.00		
Firm Volumes		\$0.139690.15429	\$0.423340.36563
Interruptible Volumes		\$0.106970.11453	\$0.360590.30324

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Therm Factor Adjustment:

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

Special Conditions Firm Volumes:

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

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

Special Conditions Interruptible Volumes:

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

Special Conditions Firm and Interruptible

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

Due Date

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the 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 Rider:

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

Contract

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

LARGE VOLUME DUAL FUEL SALES SERVICE

Availability:

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

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

Rate:

MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS PER THERM
\$800.00	\$0.050340 <u>.07257</u>	\$0.341840 <u>.28936</u>

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Therm Factor Adjustment:

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

Special Conditions:

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

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

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

LARGE VOLUME DUAL FUEL SALES SERVICE (CONTINUED)**Special Conditions (continued):**

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

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the 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.

Contract:

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

MARKET RATE SERVICE RIDER

AVAILABILITY:

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

Rate:

	BASIC CHARGE	DELIVERY CHARGE (PER THERM)	
		MINIMUM	MAXIMUM
Small Volume C/I Sales Service Annual usage greater or equal to 5,000 therms	\$43.00	\$0.00500	\$0.274380.30358
Small Volume C/I Transportation Serv. Annual usage greater or equal to 5,000 therms	\$143.00	\$0.00500	\$0.274380.30358
Large General Firm Sales Service	\$800.00		
	Demand ⁽¹⁾	\$0.0000	\$0.85078
	Commodity	\$0.00500	\$0.095680.14014
Large General Firm Transportation Serv.	\$900.00		
	Demand ⁽¹⁾	\$0.0000	\$0.85078
	Commodity	\$0.00500	\$0.095680.14014
Small Vol. Dual Fuel Sales Service Annual usage less than 120,000 therms	\$50.00	\$0.00500	\$0.223180.24410
Annual usage greater than or equal to 120,000 therms	\$80.00	\$0.00500	\$0.208940.22406
Small Vol. Dual Fuel Transportation Serv. Annual usage less than 120,000 therms	\$150.00	\$0.00500	\$0.223180.24410
Annual usage greater than or equal to 120,000 therms	\$180.00	\$0.00500	\$0.208940.22406
Large Vol. Dual Fuel Sales Service	\$800.00	\$0.00500	\$0.095680.14014
Large Vol. Dual Fuel Transportation Serv.	\$900.00	\$0.00500	\$0.095680.14014

(1) Per therm of Billing Demand

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

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

Special Conditions:

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

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

CONSERVATION IMPROVEMENT PROGRAM ADJUSTMENT RIDER**Applicability:**

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

Exemptions are as follows:

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

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

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

Rate:

BASE CHARGE PER THERM (CCRC)	ADJUSTMENT (CCRA)
\$0.019500 <u>0.01928</u>	\$0.01021

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Rider:

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

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

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

SMALL VOLUME FIRM TRANSPORTATION SERVICE

Availability:

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

Rate:

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM	COST OF GAS DEMAND CHARGE
Less than 1500 Therms	\$115.00	\$0.141290.20658	\$0.076460.07523
Equal to or greater than 1500 Therms and less than 5000 Therms	\$121.00	\$0.133290.16740	\$0.076460.07523
Greater than or equal to 5000 Therms	\$143.00	\$0.139690.15429	\$0.076460.7523

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Special Conditions:

- 1) Customer will provide CenterPoint Energy's Transportation Services Department in writing (or by electronic communication) with a reasonable estimate of total monthly consumption at least five (5) working days prior to the end of the preceding month.
- 2) Customer is responsible for reimbursing CenterPoint Energy for all incremental on-site plant investments, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.
- 3) If customer is an existing customer, taking services under the firm sales service tariff, The customer is responsible for stranded Cost of Gas Demand Charge shown above. However, CenterPoint Energy would forego the Cost of Gas Demand Charge as set forth above, provided that CenterPoint Energy can either utilize or reduce its transportation obligations such that there will be no stranded cost for the remaining firm service customers.

Therm Factor Adjustment:

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

SMALL VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)

- 1) Non-SUL/SOL/CRITICAL DAYS – When a customer’s scheduled deliveries to the company differ from daily consumption by more than 5%, the customer will be charged Northern Natural Gas Company’s maximum TI rate per therm for each imbalance therm. The current maximum TI rate is:
November – March \$.06087 per therm
April – October \$.02508 per therm
- 2) SUL Days – On days in which Northern Natural Gas Company declares a System Under run Limitation (SUL), the 5% daily imbalance tolerance will be suspended and a daily charge of \$.10 per therm for each therm of consumption less than the confirmed nomination will be charged. If consumption is greater than the confirmed nomination, there is no charge.
- 3) SOL Days – On days in which Northern Natural Gas Company declares a System Overrun Limitation (SOL), the 5% of daily imbalance tolerance will be suspended and daily charges for each therm of consumption greater than the confirmed nomination will apply as follows:
 - a) For consumption up to 105% of confirmed nomination, \$.10 per therm
 - b) For consumption greater than 105% of confirmed nomination, \$1.090 per therm. If consumption is less than the confirmed nomination, there is no charge.
- 4) Critical Days – On days in which Northern Natural Gas Company declares a Critical Day, a charge equal to the daily delivery variance charge (DDVC) of the pipeline will apply to those volumes in excess of the confirmed nomination level. Currently this charge is as much as \$11.30 per therm.

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 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 2%, the excess usage will be billed to the customer at 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 2%, the excess usage will be billed at 100% of the monthly index price plus transportation charges.
- 2) For positive imbalances on Northern Natural Gas Pipeline- when a customer's total monthly deliveries exceed customer's monthly consumption by more than 2%, the dollar value of the excess gas deliveries will be credited to the customer's account at 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 2%, the excess usage will be credited at 100% of the monthly Index price plus transportation charges.
- 2)3) 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.

SMALL VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)

Failure of Transportation Supply:

If a customer or a customer's supplier notifies CenterPoint Energy that it will be unable to deliver volumes to CenterPoint Energy's Town Border Station sufficient to meet daily consumption, CenterPoint Energy will use reasonable efforts to make gas available to the customer. Such gas will be charged to the customer at the highest incremental supply cost for the day plus the commodity cost of interruptible transportation plus applicable Daily Balancing Fees. If CenterPoint Energy is unable to obtain a replacement for the customer's transportation supply, the customer will be given the option to discontinue the use of gas or to incur the penalty associated with the unauthorized use of gas.

Penalty for Unauthorized gas Use:

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

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

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

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

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the 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.

LARGE VOLUME FIRM TRANSPORTATION SERVICE

Availability:

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

Rate:

Monthly Basic Charge \$900.00

	DELIVERY CHARGE	COST OF GAS
Demand charge (of billing demand)	\$0.42539	\$0.5609 <u>\$0.56090</u>
Commodity charge (per therm)	\$0.05034 <u>0.07257</u>	

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Special Conditions:

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

Therm Factor Adjustment:

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

Minimum Monthly Bill:

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

Billing Demand:

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

Nomination:

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

LARGE VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)

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 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 2%, the excess usage will be billed to the customer at 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 2%, the excess usage will be billed at 100% of the monthly index price plus transportation charges.
- 2) For positive imbalances on Northern Natural Gas Pipeline - when a customer's total monthly deliveries exceed customer's monthly consumption by more than 2%, the dollar value of the excess gas deliveries will be credited to the customer's account at 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 2%, the excess usage will be credited at 100% of the monthly Index price plus transportation charges.
- 2)3) 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.

Failure of Transportation Supply:

If a customer or a customer's supplier notifies CenterPoint Energy that it will be unable to deliver volumes to CenterPoint Energy's Town Border Station sufficient to meet daily consumption, CenterPoint Energy will use reasonable efforts to make gas available to the customer.

LARGE VOLUME FIRM TRANSPORTATION SERVICE (CONTINUED)**Failure of Transportation Supply:**

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

Penalty for Unauthorized gas Use:

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

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

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

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

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the 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 and fuel for supplemental gas.

Gas Affordability Rider:

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

Conservation Improvement Adjustment Rider:

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

Revenue Decoupling Rider:

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

Contract:

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

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

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

SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE

Availability:

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

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

Rate:

ANNUAL USAGE	MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM
Less than 120,000 Therms	\$150.00	\$0.114090 .12455
Equal to or greater than 120,000 Therms	\$180.00	\$0.106970 .11453

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Special Conditions:

- 1) Customer must have arranged for the purchase of gas other than CenterPoint Energy's pipeline supply for its delivery to a CenterPoint Energy Town Border Station(s).
- 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, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.
- 4) Customer must have and maintain adequate standby facilities and have available sufficient fuel supply to maintain operations during periods of curtailment.
- 5) Customer agrees to curtail the use of gas transported hereunder, within one (1) hour when requested by CenterPoint Energy.

Therm Factor Adjustment:

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

SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE (CONTINUED)

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

November – March	\$.06087 per therm
April – October	\$.02508 per therm
- 2) SUL Days – On days in which Northern Natural Gas Company declares a System Under run Limitation (SUL), the 5% daily imbalance tolerance will be suspended and a daily charge of \$.10 per therm for each therm of consumption less than the confirmed nomination will be charged. If consumption is greater than the confirmed nomination, there is no charge.
- 3) SOL Days – On days in which Northern Natural Gas Company declares a System Overrun Limitation (SOL), the 5% of daily imbalance tolerance will be suspended and daily charges for each therm of consumption greater than the confirmed nomination will apply as follows:
 - a) For consumption up to 105% of confirmed nomination, \$.10 per therm
 - b) For consumption greater than 105% of confirmed nomination, \$1.090 per therm. If consumption is less than the confirmed nomination, there is no charge.
- 4) Critical Days – On days in which Northern Natural Gas Company declares a Critical Day, a charge equal to the daily delivery variance charge (DDVC) of the pipeline will apply to those volumes in excess of the confirmed nomination level. Currently this charge is as much as \$11.30 per therm.

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 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 2%, the excess usage will be billed to the customer at 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 2%, the excess usage will be billed at 100% of the monthly index price plus transportation charges.

SMALL VOLUME DUAL FUEL TRANSPORTATION SERVICE (CONTINUED)

2) For positive imbalances on Northern Natural Gas Pipeline - when a customer's total monthly deliveries exceed customer's monthly consumption by more than 2%, the dollar value of the excess gas deliveries will be credited to the customer's account at 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 2%, the excess usage will be credited at 100% of the monthly Index price plus transportation charges.

2)3) 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 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.

Penalty for Unauthorized Gas Use:

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

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

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

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

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the 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.



LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE

Availability:

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

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

Rate:

MONTHLY BASIC CHARGE	DELIVERY CHARGE PER THERM
\$900.00	\$0.050340 <u>0.07257</u>

Interim Surcharge:

~~Effective October 2, 2015, customers' bills will be increased on an interim basis by 5.65% before the inclusion of the purchased gas adjustment. Any sales tax and franchise fees will be calculated on the increased bill.~~

~~If the total amount of the rate increase approved at the end of the rate case (Docket G-008/GR-15-424) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge customer for the difference.~~

Special Conditions:

- 1) Customer must have arranged for the purchase of gas other than CenterPoint Energy's pipeline supply and for its delivery to a CenterPoint Energy Town Border Station(s).
- 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, including telemetry equipment, required by CenterPoint Energy for providing transportation services to the customer. This investment shall remain the property of CenterPoint Energy.
- 4) Customer must have and maintain adequate standby facilities and have available sufficient fuel supply to maintain operations during periods of curtailment.
- 5) Customer agrees to curtail the use of gas transported hereunder, within one (1) hour when requested by CenterPoint Energy.

Therm Factor Adjustment:

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

LARGE VOLUME DUAL FUEL TRANSPORTATION SERVICE (CONTINUED)**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 2%, the excess usage will be billed to the customer at 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 2%, the excess usage will be billed at 100% of the monthly index price plus transportation charges.
- ~~2)~~
- 3) For positive imbalances on Northern Natural Gas Pipeline- when a customer's total monthly deliveries exceed customer's monthly consumption by more than 2%, the dollar value of the excess gas deliveries will be credited to the customer's account at 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 2%, the excess usage will be credited at 100% of the monthly Index price plus transportation charges.
- ~~3)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.
- ~~4)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.

Penalty for Unauthorized Gas Use:

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

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

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

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

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the 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.

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

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

4) Funding:

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

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

4.3) A tracking mechanism (“Tracker”) will be established to provide for recovery of actual Program costs as compared to the recovery of Program costs through rates. CenterPoint Energy will track and defer Program costs with regulatory approval. The prudence of the program costs are subject to regulatory review. The GAP recovery rate is ~~\$0.004790.00462~~ per them, ~~during the time interim rates are in effect in Docket G-008/GR-15-424~~. CenterPoint Energy may petition the Commission to adjust this rate in order to true up the Program balance in the Tracker in its next general rate case.

5) Evaluation:

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

5.2) The annual reports will include the effect of the program on customer payment frequency, payment amount, arrearage level and number of customers in arrears, service disconnections, retention rates, customer complaints and utility customer collection activity. The annual reports may also include information about customer satisfaction with the program.

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

6) Program Revocation:

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

CONSERVATION ENABLING RIDER (CE RIDER)

1. Purpose:

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

2. Applicability:

This rider shall apply to CenterPoint Energy's small volume firm service customers receiving gas service throughout CenterPoint Energy's service territory under the Residential Sales Service and the Small Volume Commercial and Industrial Sales Service rate schedules.

3. Evaluation Report Filing and Review:

No later than March 1 of the calendar year following Minnesota Public Utility Commission (MPUC) approval of the CE Rider, and then no later than March 1 of each year thereafter until such time the CE Rider terminates as specified in Section 4 Expiration of CE Rider, CenterPoint Energy shall file annually with the Minnesota Public Utility Commission an Evaluation Report calculating the CE Rider adjustments, if any, in accordance with the provisions of Section 5 Calculation of CE Rider Adjustment. CenterPoint Energy shall provide workpapers and data supporting the calculations reflected in the Evaluation Report. The Evaluation Report shall reflect the annual Evaluation Period, which for the first Evaluation Period shall begin with the bills rendered on the first day of the month succeeding the implementation of final rates approved in Docket No. G-008/GR-08-1075 until December 31 of that year, and then for the succeeding Evaluation Periods shall be the twelve month period ended December 31 of the year immediately preceding the filing of the associated Evaluation Report. The CE Rider Decoupling Adjustment may not be implemented until CenterPoint Energy's Evaluation Plan has been approved by the MPUC.

The applicable rate adjustment under the CE Rider shall be effective with bills rendered on or after March 1 of the year in which the Evaluation report is filed and will continue for twelve months. At the end of the twelve month collection period, any remaining amounts to be collected from or refunded to customers will be added to or subtracted from the Annual CE Rider adjustment for the next CE Rider filing. If the CE Rider is terminated before or not extended at the end of the three year pilot period, then the current CE Rider rate adjustment will continue in effect until the full amounts are either collected from or refunded to customers.

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

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

4. Expiration of CE Rider:

The CE Rider will be effective for a pilot period of the thirty-six (36) months from the start of the initial Evaluation Period. However, CenterPoint Energy may request authorization to extend the effective period of the CE Rider.

Reserved for Future Use

~~5. Calculation of CE Rider Adjustment:~~

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

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

~~Allowed Revenues — Authorized Revenue Per Customer multiplied by the number of customers in the applicable rate class, calculated each month of the twelve month Evaluation Period, and summed.~~

~~Weather Normalized Revenues — the actual non-gas revenues for the twelve-month evaluation period ended December 31 adjusted for non-normal weather, unbilled non-gas revenues, and adjusted to exclude revenues associated with the Conservation Improvement Program Adjustment Rider, the Gas Affordability Service Program, the Franchise Fee Rider, and other non-rate class specific revenues. For purposes of this rider, normal weather shall be defined as the number of monthly heating degree days used to set final rates in the Company's most recent general rate case. Non-gas revenues will be adjusted using the general rate case use-per-customer sales forecast model coefficients for weather — Heating Degree Days (HDD) and 20-year average weather for 1989-2008.~~

~~The CE Rider Adjustment shall equal the Allowed Revenues less the Weather Normalized Revenues, divided by the class forecast volumes for the twelve-month period beginning March 1 of the year the Evaluation Report is filed for the applicable rate classes.~~

~~The CE Rider Adjustment for the applicable rate classes to collect an under-recovery amount of non-gas revenues will be capped at +3% of the total volumetric charge for each of the rate classes, while the CE Rider adjustment for the applicable rate classes to return an over-recovered amount of non-gas revenues shall not be capped. The average of the total actual volumetric rates effective for the most recent twelve months available prior to the filing of the CE Rider Evaluation Report will be used to calculate the total volumetric charge used to apply the cap.~~

DUAL FUEL GAS SALES SERVICE

This Dual Fuel Sales Service Agreement ("Agreement") is between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy), 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038 and _____ (Customer), a _____ (Proprietorship, Partnership or Corporation), _____ ("Customer") and ~~CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 800 LaSalle Avenue, Floor 14, Minneapolis MN 55402.~~ Customer is a user of natural gas who meets the requirements for dual fuel service as outlined in the applicable ~~d~~Dual ~~f~~Fuel ~~s~~Sales ~~s~~Service tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). CenterPoint Energy and Customer agree as follows:

Section 1. REQUIREMENTS AND DELIVERIES.

- 1.1. **Delivery of Gas.** CenterPoint Energy will sell and deliver pipeline quality gas at _____ (Acct# _____) on an interruptible basis. The metered volume will be adjusted to account for variations in pressure and temperature and billed accordingly. Gas-using equipment is listed in Appendix A. Customer will notify CenterPoint Energy of any changes in its use of natural gas.
- 1.2. **Refusal or Disconnection of Service.** CenterPoint Energy will not initiate gas service until all equipment necessary for gas and alternative fuel operation is installed and performs in compliance with applicable laws, ordinances and codes and Customer meets CenterPoint Energy's credit requirements.

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

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

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

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

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

Section 2. PRICE, BILLING AND PAYMENT PROCEDURES.

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

Section 3. CURTAILMENT.

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

Section 4. SERVICE LINES AND METERING EQUIPMENT.

- 4.1. **Equipment Furnished by CenterPoint Energy.** CenterPoint Energy will install and maintain necessary gas mains and services, meter, remote reading equipment, and regulator equipment to supply natural gas to the CenterPoint Energy meter on Customer's premises. CenterPoint Energy may charge Customer for costs of installation consistent with CenterPoint Energy's tariff. All equipment furnished by CenterPoint Energy will remain its property, and CenterPoint Energy may remove its equipment upon termination of service to customer.
- 4.2. **Customer's Equipment.** All piping and equipment downstream of the meter, including telephone lines and any necessary electrical power for remote meter reading equipment, will be installed and maintained by Customer and remain Customer's responsibility. Any inspection by CenterPoint Energy of Customer's piping and equipment will not impose any obligation or liability on CenterPoint Energy.

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

Section 5. ALTERNATIVE OR DUAL FUEL EQUIPMENT.

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

Section 6. TERM.

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

Section 7. NOTICES.

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

CenterPoint Energy, ~~Commercial & Industrial Sales~~~~Energy Sales~~
~~505 Nicollet Mall, P.O. Box 59038,~~
~~Minneapolis, Minnesota 55459-0038800 LaSalle Avenue, Floor 14~~
~~Minneapolis, MN 55402~~ — Phone: 612.321.4330

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

Section 8. ASSIGNMENT.

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

Section 9. WAIVER OF LIABILITY.

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

Section 10. APPLICABLE LAW AND REGULATION.

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms or conditions of the Agreement, the Tariff shall govern. If a change in the Tariff creates a conflict with any section of this Agreement, either party may cancel this Agreement immediately upon delivery of written notice of such cancellation to the other party. Further, the operation and effectiveness of this Agreement shall not continue if such continuance would violate any applicable statute, regulation or other jurisdictional authority.

Section 11. COMPLETE AGREEMENT.

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

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

CUSTOMER(S)

By: _____
Title: _____
Dated: _____

By: _____
Title: _____
Dated: _____



DUAL FUEL GAS TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT ("Agreement") is between CenterPoint Energy, Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy), 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038, 800 LaSalle Ave., Floor 14, Minneapolis, Minnesota 55402 ("CenterPoint Energy") and _____ ("End User"), and is effective 9:00 a.m. CCT on the 1st day of _____, 20____. End User is a natural gas user who has purchased natural gas from a supplier other than CenterPoint Energy's sales service, and who desires to transport that natural gas through CenterPoint Energy's distribution system. CenterPoint Energy is willing and able to transport End User's natural gas on an interruptible basis, subject to (1) all provisions of this Agreement, and (2) CenterPoint Energy's currently effective and applicable Dual Fuel Transportation Service Tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). Therefore, the parties, desiring to be legally bound, for themselves, their successors and assigns, agree as follows:

Section 1. Quantity.

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

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

Section 2. Nominating Procedure.

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

Section 3. Meter Reading and Telemetering.

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

Section 4. Term.

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

Section 5. Price.

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

Section 6. Payment.

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

Section 7. Termination and Assignment.

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

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

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

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

Section 8. Notices.

CenterPoint Energy, Commercial & Industrial Sales, 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038, Energy Sales Department: 800 LaSalle Ave., Floor 14, Minneapolis, MN 55402, 612-321-4330

End User: _____

Section 9. Alternative Fuel Capability and Interruption.

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

Section 10. Waiver of Liability.

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

Section 11. Supplying Copies of Contracts.

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

Section 12. Applicable Law and Regulation.

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms or conditions of the Agreement, the Tariff shall govern. If a change in the Tariff creates a conflict with any section of this Agreement, either party may cancel this Agreement immediately upon delivery of written notice of such cancellation to the other party. Further, the operation and effectiveness of this Agreement shall not continue if such continuance would violate any applicable statute, regulation or other jurisdictional authority.

Section 13. Complete Agreement.

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

END USER

By: _____

Title: _____

Dated: _____

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

By: _____

Title: _____

Dated: _____



FIRM GAS TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT ("Agreement") is between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038 (CenterPoint Energy) 800 LaSalle Ave, Floor 14, Minneapolis, Minnesota 55402 ("CenterPoint Energy") and ("End User"), and is effective 9:00 a.m. CCT on the 1st day of _____, 20____. End User is a natural gas user who has purchased natural gas from a supplier other than CenterPoint Energy's sales service, and who desires to transport that natural gas through CenterPoint Energy's distribution system. CenterPoint Energy is willing and able to transport End User's natural gas on a firm basis, subject to (1) all provisions of this Agreement, and (2) CenterPoint Energy's currently effective and applicable Firm Transportation Service Tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). Therefore, the parties, desiring to be legally bound, for themselves, their successors and assigns, agree as follows:

Section 1. Quantity.

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

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

Section 2. Nominating Procedure.

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

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

Section 3. Meter Reading and Telemetry.

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

Section 4. Term.

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

Section 5. Price.

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

Section 6. Payment.

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

Section 7. Termination and Assignment.

7.1. End User or CenterPoint Energy may terminate this Agreement by giving written notice to the other ~~thirty (30) six (6) months days~~ prior to the expiration of the current term.

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

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

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

Section 8. Notices.

CenterPoint Energy, Commercial & Industrial Sales, 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038 Energy Sales Department: 800 LaSalle Ave., Floor 14, Minneapolis, MN 55402, 612-321-4330

End User: _____

Section 9. Failure of Gas Supply.

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

Section 10. Waiver of Liability.

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

Section 11. Supplying Copies of Contracts.

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

Section 12. Applicable Law and Regulation.

This Agreement will be construed in accordance with the laws of the State of Minnesota. However, notwithstanding any of the terms or conditions of the Agreement, the Tariff shall govern. If a change in the Tariff creates a conflict with any section of this Agreement, either party may cancel this Agreement immediately upon delivery of written notice of such cancellation to the other party. Further, the operation and effectiveness of this Agreement shall not continue if such continuance would violate any applicable statute, regulation or other jurisdictional authority.

Section 13. Complete Agreement.

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

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

By: _____
Title: _____
Dated: _____

END USER

By: _____
Title: _____
Dated: _____



MARKET RATE SERVICE AGREEMENT

This Market Rate Service Agreement ("Agreement") is effective as of the _____ day of _____, ~~20_____~~, between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy), 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038800 LaSalle Avenue, Floor 14, Minneapolis, MN 55402 and _____ ("Customer"), for service at _____, account # _____.

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

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

CenterPoint Energy and Customer agree as follows:

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

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

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

CUSTOMER

By: _____
Title: _____
Dated: _____

By: _____
Title: _____
Dated: _____

SMALL VOLUME FIRM/INTERRUPTIBLE GAS SALES SERVICE AGREEMENT~~Small Volume Firm/Interruptible Sales Service Agreement~~

This Small Volume Firm/Interruptible Sales Service Agreement ("Agreement") is between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy), and _____, a _____ ("Customer") ~~and CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 800 LaSalle Avenue, Floor 14, Minneapolis MN 55402 ("CenterPoint Energy")~~. Customer is a user of natural gas who meets the requirements for firm/interruptible service as outlined in the applicable Small Volume Firm/Interruptible Sales Service tariff on file with the Minnesota Public Utilities Commission, as it may be changed from time to time ("Tariff"). CenterPoint Energy and Customer agree as follows:

Section 1. REQUIREMENTS AND DELIVERIES.

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

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

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

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

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

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

Section 2. PRICE, BILLING AND PAYMENT PROCEDURES.

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

Section 3. CURTAILMENT.

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



Section 4. SERVICE LINES AND METERING EQUIPMENT.

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

Section 5. ALTERNATIVE OR DUAL FUEL EQUIPMENT.

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

Section 6. TERM.

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

Section 7. NOTICES.

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

CenterPoint Energy, Manager ~~Commercial & Industrial Sales~~~~Energy Sales~~
~~505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038~~~~800 LaSalle Avenue, Floor 14~~
~~Minneapolis, MN 55402~~ Phone: 612.321.4330

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



PROCESS INTERRUPTIBLE GAS SALES SERVICE AGREEMENT

This Agreement ("Agreement") is between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038800 LaSalle Avenue, Floor 14, Minneapolis, Minnesota 55402 and _____ ("Customer") for natural gas service to Customer's facility located at _____

Acct # _____

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

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

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

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

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

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

CENTERPOINT ENERGY RESOURCES CORP.,
CUSTOMER

d/b/a CenterPoint Energy Minnesota Gas

By: _____

Title: _____

Dated: _____

CUSTOMER**CENTERPOINT ENERGY**
RESOURCES CORP.

d/b/a CenterPoint Energy Minnesota Gas

By: _____

Title: _____

Dated: _____

CENTERPOINT ENERGY**DAILY BALANCING SERVICE AGREEMENT**

This Agreement ("Agreement") is between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (~~CenterPoint Energy~~), 505 Nicollet Mall, P.O. Box 59038, Minneapolis, Minnesota 55459-0038 (~~"CenterPoint Energy"~~) and _____ ("Customer").

Section 1. Availability.

Service under this Agreement is available to any customer, or to any agent representing a customer or a group of customers, taking service under CenterPoint Energy's Firm or Dual Fuel Transportation tariffs. A copy of CenterPoint Energy's current applicable Transportation Tariff and Daily Balancing Service Rider is attached.

Section 2. General Terms and Conditions.

The obligations of CenterPoint Energy and the Customer under this Agreement are subject to all general terms and conditions of service of CenterPoint Energy's Rate Book. Except as specifically provided herein, all terms and conditions of the applicable Transportation Tariff and related agreements remain in effect. The terms and conditions of the Daily Balancing Service Rider are incorporated by reference into this Agreement.

Section 3. Term.

This Agreement shall be in effect for an initial term of one (1) month commencing on _____, 20__, and shall remain in effect from month to month thereafter until terminated by either party with thirty (30) days written notice. Changes in the amount of contracted Daily Balancing Quantity must be made at least 5 working days prior to the end of the preceding month.

Section 4. Quantity.

Customer elects the following amount of Daily Balancing Quantity: _____ Therms.

Section 5. Multiple Accounts.

If a customer or an agent has multiple accounts, they will provide CenterPoint Energy with the names, CenterPoint Energy accounts numbers and the assignment of the portion of the Daily Balancing Quantity elected in Section 4 for each account. Under no circumstances will the total of individual accounts exceed the total quantity elected in Section 4; nor shall such amount assigned to an individual account exceed 20% of the customer's peak day volume.

Section 6. Charges.

The rate for the Daily Balancing Service will be governed by the applicable Rider, copy attached.

Section 7. Suspension of Service.

On gas days when the Company in its sole discretion determines it is experiencing a System Overrun Limitation (SOL), the Company may notify the customer that the Daily Balancing Service is suspended. When service is suspended, the customer shall be required to operate within the nomination tolerances of the applicable transportation rate schedule and will be assessed applicable penalties upon noncompliance with the terms of the transportation rate schedule. CenterPoint Energy will notify customers of the suspension of this service as soon as possible, however, the latest CenterPoint Energy will notify customers of the suspension of this service is by 3:00 p.m. CST of the gas day for which the suspension has been called.

MINIMUM VOLUME AGREEMENT

This Minimum Volume Agreement ("Agreement") is made this ____ day of _____, 20__, between CenterPoint Energy, a Minnesota corporation ("CenterPoint Energy") 505 Nicollet Mall, Minneapolis, Minnesota 55459-0038, and _____, (the "Customer") (collectively, the "Parties"). The Customer owns the property located at _____ (the "Project") and desires to have natural gas service installed. CenterPoint Energy is a natural gas public utility and desires to serve the Project. Therefore, the Parties agree as follows:

Section 1. SERVICE.

CenterPoint Energy agrees to serve natural gas to the Project at a flow rate of _____ MCFH and a delivery pressure of _____ PSIG. The Customer represents and warrants to CenterPoint Energy that it is the owner, or authorized agent of the same, of all property within the Project.

Section 2, OWNERSHIP AND EASEMENTS.

All natural gas mains and/or services installed by CenterPoint Energy shall be and remain the property of CenterPoint Energy, and neither Customer nor its contractors shall acquire any right, title or interest in any gas main and/or services installed under this Agreement. The Customer hereby grants to CenterPoint Energy all easements necessary or desirable on Customer's Property for the installation and operation of all natural gas mains and other facilities as needed by CenterPoint Energy.

Section 3. AUTHORITY AND CONFIDENTIALITY.

Each Party warrants that it has full right, power and authority, and has received all required approvals to enter into this Agreement and to perform fully its obligation hereunder. Each Party Agrees that the terms of this Agreement are confidential and may not be disclosed without the other Party's prior written consent. Notwithstanding the foregoing, CenterPoint Energy may disclose confidential information if required to do so by a government regulatory agency.

Section 4. ASSIGNMENT OF AGREEMENT.

This Agreement cannot be assigned without CenterPoint Energy's prior written approval. If Customer does not obtain approval, Customer will remain liable for payment of gas service. The Customer may not assign this Agreement without CenterPoint Energy's prior written consent. This Agreement, any applicable Service Agreement(s) and the Tariff constitute the parties' complete agreement. With the exception of changes to the Tariff, this Agreement cannot be changed except in a writing signed by both parties.

Section 5. MINIMUM VOLUME COMMITMENT.

CenterPoint Energy agrees to serve the Project, as described in Paragraph 1 above, based upon the anticipated revenue from serving the Project. To justify service to the Project the Customer agrees to purchase an Annual Minimum Volume (AMV) of _____ Therms per year for the term of the Agreement. Beginning on the nearest billing cycle to _____ and for each subsequent 12 month period ("AMV Year"), in the event of an annual shortfall, the Customer shall be billed the difference between the AMV and the actual delivered volume at a rate consistent with the then current price for the _____ rate class, rate code _____, on the last month of the applicable AMV Year. The AMV shall be reduced by the quantity of Therms associated with all of Customer's qualifying Conservation Improvement Program ("CIP") projects on a pro-rata basis for the first AMV Year and in full for all subsequent AMV Years. Rate information is available in the Rate Schedules of CenterPoint Energy's Gas Rate Book, which can be accessed on CenterPoint Energy's website, www.centerpointenergy.com and are on file with the state regulatory commission.

Section 6. ADDITIONAL TERMS.

Additional terms, if any, are included in Attachment B, which is incorporated herein by reference.

Section 7. NOTICES.

Notices, except as otherwise specified, will be sent to:
CenterPoint Energy, Energy Sales
505 Nicollet Mall
Minneapolis, MN 55459-0038 Phone: 612.321.4330

Customer _____

Section 6. TERM.

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

CENTERPOINT ENERGY

By: _____
Title: _____
Dated: _____

CUSTOMER(S)

By: _____
Title: _____
Dated: _____

NEW MARKET DEVELOPMENT AGREEMENT

This New Market Development Agreement (“Agreement”) is entered into between _____, a _____ (Proprietorship, Partnership or Corporation) hereinafter called “Developer”, and CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, 505 Nicollet Mall, Minneapolis MN 55402, hereinafter called “Company”. Based on mutual consideration, which is hereby acknowledged, the Developer and the Company agree as follows:

Section 1. OBLIGATIONS

- 1.1. Company is a natural gas distribution utility that will serve the hereinafter described Project.
- 1.2. Developer is developing said Project and agrees that Company has the exclusive right to be the sole natural gas provider and install natural gas mains and service lines to all residential single family unit(s) (condo, apartment, townhome or home), and commercial and industrial structures of any kind in said Project hereinafter called “Customer”; and Developer will contractually require all builders within the Project to adhere to the terms set forth herein; and, if Developer sells any or all of the land within the Project, it agrees to include the terms of this Agreement in the purchase contract(s) to ensure the new owner(s) abide by these terms.
- 1.3. Developer recognizes that the requested gas mains and service lines will necessitate a capital investment on the part of the Developer by way of contribution in aid of construction or on the part of the Company or both.
- 1.4. Company and Developer agree to the terms of this agreement, as specified in Exhibit A for the requested natural gas main and service line extension(s) and; Developer understands that the terms of Exhibit A are contingent upon the number and type of natural gas customer(s) and respective natural gas equipment/load requirements the Developer has represented to Company will exist in the Project as described in Exhibit A and Exhibit B. Any change in the number of Customer(s) or type of Customer may constitute a revised Exhibit A of this Agreement between the Company and the Developer.
- 1.5. Company reserves the right to verify that Developer has complied with all the requirements of this Agreement. Such verification will include, but is not limited to, Developer or builder provided documentation or site check by Company to confirm installation of primary natural gas space heating system for each Customer in the Project. The Developer acknowledges that any type of heat pump is not considered to be a “primary natural gas heating system” and therefore is not allowed.
- 1.6. If either party breaches this Agreement and the breach is not cured within thirty (30) days after receiving written notice from the other party within such longer period as is reasonably necessary to cure the breach, in no event to exceed an additional ninety (90) days, then breaching party will be liable for the other party’s reasonable attorneys’ fees and for damages directly caused by such breach.

Section 2. APPLICABLE LAW AND REGULATION

- 2.1. The obligations of Company and Developer under this Agreement are subject to laws of the State of Minnesota, and;
- 2.2. The Company's currently effective and applicable Tariffs and Riders on file with the Minnesota Public Utilities Commission ("Tariff") except as specifically provided herein.

Section 3. AUTHORITY

The persons signing this Agreement have the real and apparent authority to bind the respective parties. Developer represents and warrants that it has sole authority for selecting the natural gas supplier for the Project(s).

Section 4. TERM

This Agreement is effective when signed by both parties and remains in effect for _____ (_____) years or until the construction of all customer structures in this project are complete.

Section 5. COMPLETE AGREEMENT

This Agreement and the Exhibits, attached and made a part of this Agreement, constitute the parties' complete agreement. With the exception of changes to the Company's Tariffs, this Agreement cannot be changed except in a writing signed by both parties.



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

DEVELOPER

(COMPANY)

(NAME)

(NAME)

505 Nicollet Mall

(ADDRESS)

(ADDRESS)

Minneapolis, MN 55402

(CITY, STATE, ZIP CODE)

(CITY, STATE, ZIP CODE)

(SIGNATURE)

(SIGNATURE)

(TITLE)

(TITLE)

(DATE)

(DATE)

Exhibit A

Agreement Specifications;

Both parties agree that the terms of this Exhibit are confidential and may not be disclosed without the other Party's prior written consent.

Developer warrants the following customer types, numbers, and primary natural gas space heating equipment/load specifications for this project.

Customer Type	Customer Count	Equipment/Load Requirements

CenterPoint Energy, in consideration of being granted exclusive rights to deliver natural gas to each customer described above will design and install natural gas main and/or services, and;

Will (insert any additional conditions here),

EXHIBIT B

Plat Map identifying Project scope and Customer type

COMPUTATION OF MAXIMUM AND MINIMUM MARKET RATE					
Line No.	Description (a)	Full Tariff Rate (\$/Therm) (b)	Minimum Rate (c)	Flexed Amount (d=b-c)	Maximum Rate (e=b+d)
1	Sales Service and Transportation Services				
2	<u>Commercial/Industrial</u>				
3	Annual usage greater than 5000 Therms				
4		0.15429	0.00500	0.14929	0.30358
5					
6	<u>Large General Service</u>				
7	Demand (Peak Day)	0.42539	0.00000	0.42539	0.85078
8	Commodity	0.07257	0.00500	0.06757	0.14014
9					
10	<u>Small Volume Dual Fuel</u>				
11	Annual usage less than 120,000 therms				
12	A	0.12455	0.00500	0.11955	0.24410
13	Annual usage greater than 120,000 Therms				
14	B	0.11453	0.00500	0.10953	0.22406
15					
16	<u>Large Dual Fuel</u>	0.07257	0.00500	0.06757	0.14014

CenterPoint Energy
GAP Rate

Line No.		<u>Amount</u>
1	Current Expense	\$ 5,000,000.00 /1/
2	Total Throughput	108,202,475 /2/
3	Test Year Rate (line 1 divide by line 2) - Per therm	<u><u>\$ 0.00462</u></u>

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

/2/ Sch A-2c, Part 2

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

CENTERPOINT ENERGY

CUSTOMER NOTICES

Commission Order, page 85, Ordering Point 44. a. iv.

A-4a - Proposed customer notices explaining the final rates, and the monthly customer charge.

A-4b - Calculation for the estimated average residential interim rate refund.
(supports value in bill insert)



New natural gas distribution rates approved in 2016

Changes begin with the enclosed bill

In August 2015, CenterPoint Energy (the Company) asked the Minnesota Public Utilities Commission (MPUC) to change its rates for utility distribution service. The filing, known as a rate case, sought to increase the Company's annual revenues by \$54.1 million or about 6.4 percent.

MPUC approved new rates

The MPUC approved an annual revenue increase of approximately \$27.5 million, or 3.5 percent. Under the final order, the monthly Basic Charge for residential customers remains at \$9.50, and the per therm Delivery Charge increases from \$0.18458 to \$0.20648.

Rates vary by customer

Rate changes will affect individual monthly bills differently depending on natural gas use and customer class. The effect on an average residential customer's bill (who uses approximately 923 therms in a year) will be an increase of about \$2 per month, or \$24 per year. Bills will also vary because the wholesale cost of natural gas changes each month.

Customers' bills contain three parts: Basic Charge, Delivery Charge and Cost of Gas. The Basic Charge and Delivery Charge recovers only the cost of providing utility distribution service to our customers – about 40 to 50 percent of the bill. They do not include wholesale natural gas costs – which make up about 50 to 60 percent of the bill. The Cost of Gas is passed through directly to customers without mark-up.



Customer Class (usage in therms)	Monthly Basic Charge	
	Current	New
Residential	\$9.50	\$9.50
Commercial/Industrial		
Up to 1,500/year	\$15.00	\$15.00
1,500 to 5,000/year	\$21.00	\$21.00
5,000 or more/year	\$43.00	\$43.00
Small Volume Dual Fuel Sales Service		
Up to 120,000/year	\$50.00	\$50.00
120,000 or more/year	\$80.00	\$80.00
Large Volume Dual Fuel Sales Service	\$800.00	\$800.00

Customer Class (usage in therms)	Delivery Charges (/therm)	
	Current	New
Residential	\$0.18458	\$0.20648
Commercial/Industrial		
Up to 1,500/year	\$0.14129	\$0.20658
1,500 to 5,000/year	\$0.13329	\$0.16740
5,000 or more/year	\$0.13969	\$0.15429
Small Volume Dual Fuel Sales Service		
Up to 120,000/year	\$0.11409	\$0.12455
120,000 or more/year	\$0.10697	\$0.11453
Large Volume Dual Fuel Sales Service	\$0.05034	\$0.07257

Note: The current and new per therm delivery charges do not include the per therm charge for the Conservation Improvement Program Adjustment Rider (\$0.01021 per therm) that recovers conservation costs not included in base rates.

Customer Class (usage in therms)	Average Monthly (usage in therms)	Average Monthly Bill: Current Rates	Average Monthly Bill: New Rates
Residential	77	\$52	\$54
Commercial/Industrial			
Up to 1,500/year	64	\$48	\$52
1,500 to 5,000/year	251	\$148	\$156
5,000 or more/year	1,274	\$693	\$711
Small Volume Dual Fuel Sales Service			
Up to 120,000/year	3,694	\$1,592	\$1,630
120,000 or more/year	12,632	\$5,262	\$5,357
Large Volume Dual Fuel Sales Service			
	43,750	\$15,662	\$16,634

**Figures are rounded to the nearest whole number*

Refunds on interim rates

State law allowed the Company to collect interim (temporary) rates while the MPUC considered its rate case. The Company began collecting annual interim rates of \$47.8 million, on October 2, 2015. Since the final rate increase is less than the interim rate increase, the Company will refund the difference, with interest, as well as other adjustments beginning in December 2016 bills. A typical residential customer's refund will be about \$16.

How to learn more

Website

CenterPointEnergy.com/RateCase

To learn how you can save energy and money, visit

CenterPointEnergy.com/SaveEnergy.

Residential customers

612-372-4727 • 800-245-2377

Business customers

Call your account manager or the Business Customer Hotline
612-321-4939 • 877-809-3803

Notice to customers

To make sure we can send you any refund owed, please provide a forwarding address if you stop service. If you move before a refund is issued and we cannot find you, your refund may be treated as abandoned property and sent to the Minnesota Department of Commerce, Unclaimed Property Unit. You can check for unclaimed property at

www.missingmoney.com.



CENTERPOINT ENERGY
Docket No. G-008/GR-15-424
COMPLIANCE FILING - 9-8-2016
SCHEDULE A-4b

Page 1 of 1

For Customer Notice use \$16 for estimated interim rate refund for residential customers.
 Customers Notices will be updated to reflect updated data if needed.

Estimated Residential Rate Refund

Method One

<u>Line No.</u>	Average Residential			
	<u>Actual Avg. Usage - Therms</u>			
	(a)	(b)	(c)	
1	Oct-15	37.3	Prorated	
2	Nov-15	79.4		
3	Dec-15	128.0		
4	Jan-16	176.0		
5	Feb-16	130.0		
6	Mar-16	79.7		
7	Apr-16	61.4		
8	May-16	25.3		
9	Jun-16	18.5		
10	Jul-16	16.4		
11	Aug-16	18.1		Estimated
12	Sep-16	19.1		Estimated
13	Oct-16	26		Estimated
14	Nov-16	59.8		Estimated
15		875.0		
16				
17	Interim \$ billed Calculation			
18	<u>Months</u>			
19	14	\$9.50	\$133.00	
20	<u>Therms</u>			
21	875	\$0.61520	<u>\$538.30</u>	
22			\$671.30	
23	<u>Interim %</u> 5.65%			
24			\$37.93 Estimated Interim Charges	
25			<u>0.43382</u> Estimated Refund Factor	
26			\$16 Estimated Residential Refund	
27				
28				

Method Two

30	\$28,930,000	Estimated Residential Interim Charges
31	<u>0.43382</u>	Estimated Refund Factor
32	\$12,550,413	Estimated Residential Refunds
33	772,300	Estimated Residential Customers
34		
35	\$16	Estimated Residential Refund
36		

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

CENTERPOINT ENERGY

BASE COSTS OF GAS

Commission Order, page 85, Ordering Point 44. b.

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

Schedules:

- B1: Base Cost of Gas Change – Cost of Gas Factors by class
Summarizes changes from current Interim Base Rates
- B2: Calculation of Cost of Gas Cost Recovery Components
Demand, Commodity, Total
Based on December 23, 2013 compliance filing
- B3: Large General Service (LGS)-Demand Cost Recovery Rate and
Commodity Cost of Gas Recovery Rate

Please see Schedule A-2c, Part 1 for:

Test Year Base COG to Final Rate COG
Summarizes changes from current Interim Base Rates

Effective December 1, 2016

COST OF GAS RECOVERY RATE-PER THERM						
Line No.	Description (a)	Commodity (b)	Demand (c)	Subtotal (b + c) (d)	GCR Factor (e)	Total Rate (d + e) (f)
1	FIRM:					
2						
3	<u>Residential</u>					
4	Interim Base Rate	0.34897	0.07646	0.42543	0.00000	0.42543
5	Adjustment	(0.05780)	(0.00123)	(0.05903)	0.00000	(0.05903)
6	Base Recovery Rate	0.29117	0.07523	0.36640	0.00000	0.36640
7						
8						
9	<u>Commercial/Industrial A and B</u>					
10	Interim Base Rate	0.35019	0.07646	0.42665	0.00000	0.42665
11	Adjustment	(0.05842)	(0.00123)	(0.05965)	0.00000	(0.05965)
12	Base Recovery Rate	0.29177	0.07523	0.36700	0.00000	0.36700
13						
14						
15	<u>Commercial/Industrial C</u>					
16	Interim Base Rate	0.34688	0.07646	0.42334	0.00000	0.42334
17	Adjustment	(0.05648)	(0.00123)	(0.05771)	0.00000	(0.05771)
18	Base Recovery Rate	0.29040	0.07523	0.36563	0.00000	0.36563
19						
20						
21	<u>Large General Service</u>		1/			
22	Interim Base Rate	0.34184	0.56095	0.34184	0.00000	0.34184
23	Adjustment	(0.05248)	(0.00005)	(0.05248)	0.00000	(0.05248)
24	Base Recovery Rate	0.28936	0.56090	0.28936	0.00000	0.28936
25	1/ Demand cost is based on Peak Day. Total Rate reflects only Commodity costs					
26						
27						
28						
29	<u>Large Volume Dual Fuel</u>					
30	Interim Base Rate	0.34184	0.00000	0.34184	0.00000	0.34184
31	Adjustment	(0.05248)	0.00000	(0.05248)	0.00000	(0.05248)
32	Base Recovery Rate	0.28936	0.00000	0.28936	0.00000	0.28936

Calculation of Demand Cost of Gas Recovery Rate
Test Year - Twelve Months Ending September 30, 2016

Line No.	Description (a)	(b)
1	Total Company	
2	Small Volume Firm Recovery Rate Calculation	
3	Annual Demand Costs	\$81,386,446
4	Less LGS Demand Costs	<u>\$14,141</u>
5	Small Volume Demand Costs	<u><u>\$81,372,305</u></u>
6	Annual Sales (Total Firm less LV Firm Sales Svc)	<u>108,162,930</u>
7	Small Volume Recovery Rate (/DT)	<u><u>\$0.7523</u></u>
6	Test Year Demand Costs	
7	Annual Small Volume Firm Sales	108,162,930
8	Small Volume Recovery Rate	<u>\$0.7523</u>
9	Test Year Small Volume Demand Costs	<u><u>\$81,370,972</u></u>
10	Annual Large Firm Demand Cost	
11	Large General Service: per DT/Peak Demand 1/	\$5.6090
12	Large General Service - Peak Demand x 12	<u>2,521</u>
13	Large General Sales Service (line 7 x line 8)	<u><u>\$14,141</u></u>
14	Total Test Year Demand Costs (rounded)	<u><u>\$81,385,000</u></u>

Calculation of Commodity Cost of Gas Recovery Rate
Test Year - Twelve Months Ending September 30, 2016

Line No.	Description (a)	Test Year Sales (b)	Recovery Rate (c)	Commodity Costs (d)
<u>Sales Service</u>				
1	Residential	71,321,240	\$2.9117	\$207,666,054
2	Comm/Ind Firm A	2,231,747	2.9177	\$6,511,568
3	Comm/Ind Firm B	5,891,201	2.9177	\$17,188,757
4	Comm/Ind Firm C	28,718,742	2.9040	\$83,399,228
5	Small Dual Fuel A - Sales Service	7,452,060	3.0324	\$22,597,627
6	Small Dual Fuel B - Sales Service	4,414,443	3.0324	\$13,386,358
7	Lge Firm & Dual Fuel Sales Service	<u>4,347,775</u>	<u>2.8936</u>	<u>\$12,580,722</u>
8				
9	TOTAL - Sales service	<u>124,377,208</u>	<u>2.9212</u>	<u>\$ 363,330,313</u>

- Commodity costs from detailed Billing Determinants based on ALJ Recommendations 241 - 246

b) Compliance filing in G-008/GR-15-424, Schedule A-2c

c) Recovery rate - based on compliance filing in Docket No. G-008/MR-15-728

d) Column (b) x (c)

Summary of Cost of Gas
Test Year - Twelve Months Ending September 30, 2016
(\$000s)

Line No.	Description (a)	Actual Per Books (b)	Adjustments (c)	Test Year Cost of Gas (d)
1	Total Company			
2	Demand	80,183	1,202	81,385
3	Commodity	823,177	(459,847)	363,330
4	Gas Cost Adjustment	<u>(50,452)</u>	<u>50,452</u>	<u>-</u>
5	Total Cost of Gas	<u><u>852,908</u></u>	<u><u>(408,193)</u></u>	<u><u>444,715</u></u>

Large General Firm Sales Service(LGS)
Large General Service Rate Calculation

Line
No.

(One Sales Service Customer)

1 There is currently one customer on this rate and one customer forecast to be on
2 this rate in the test year. In order to derive a a rate for this class CenterPoint Energy
3 used rate components for active classes with similar characteristics. This approach
4 was used in both of CenterPoint Energy's last three rate cases, G-008/GR-05-1380 and
5 and G-008/GR-08-1075, and G-008/GR-13-316.

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

8 The Large Dual Fuel authorized Monthly Basic Charge is currently \$800.
9 Proposed to increase per ALJ recommendation.
10 To qualify for either tariff, LGS or LVDF, the customer must use 2,000 therms a day.

11
12 **Demand Delivery Charge:** \$0.42539 per thm Billing demand

13 No change to current rate. This rate was developed in a previous CenterPoint Energy rate case
14 The customer's peak day usage is multiplied by the above rate and is billed monthly.
15 The peak day usage is updated annually.

16
17 **Commodity Delivery Charge:** \$0.07257 per therm used

18 Since this class would be similar in size to the Large Volume Dual Fuel (LVDF) class,
19 the commodity delivery charge equals the rate for the LVDF class.
20 The LVDF Proposed rate is \$0.02837/Therm, or \$0.04765 Including the CCRC adjustment.

Large General Firm Sales Service(LGS)
Test Year Cost of Gas Calculation

Line
No.

One Customer

1 There is currently one customers on this rate in the rate case.
 2 In order to derive cost of gas recovery rates for this class, CenterPoint Energy
 3 used cost components for active classes with similar characteristics. This general approach
 4 was used in both of CenterPoint Energy's last three rate cases, G-008/GR-05-1380,
 5 G-008/GR-08-1075, and G-008/GR-13-316.
 6

7 **Demand Cost of Gas Recovery Rate** \$0.56090 per therm of billing demand
 8 For the calculation of the Demand Cost Recovery rate, CenterPoint Energy used Commercial-C firm
 9 data. The Commercial-C class is the next largest firm class on CenterPoint Energy's system.
 10

Commercial-C + LGS, Test Year Demand costs:	\$21,634,860		1/	
Commercial-C + LGS, Relative Design Day Demand units:	3,214,311	therms	2/	
Per unit Demand Cost Recovery Rate calculation:	\$0.56090	per therm		(Line 11 / Line 12 / 12 mos)

16 **Commodity Cost of Gas Recovery Rate:** \$0.28936 per therm used
 17 CenterPoint Energy used the Large Volume Dual Fuel (LVDF) test year cost of gas recovery rate.
 18 It is anticipated that volumetric usage of a large firm customer would be similar to customers
 19 in the LVDF class. See Commodity Cost-of-Gas updates.
 20

	<u>DT</u>	<u>Rate</u>	<u>Cost</u>
1/ Test year sales x demand cost recov Com-C	28,718,742	3/	
LGS	39,545	4/	5/
	28,758,287	0.7523	\$21,634,860
<hr/>			
2/ peak day estimate	3,212,210	therms	6/
LGS	2,101	therms	
	3,214,311		

29 3 / Updated Sales estimate for Com/Ind - C
 30 4 / Updated Sales estimate for LGS
 31 5 / Updated per-unit small firm demand rate
 32 6 / Peak day estimate from Relative Design Day - (MAT-WP) RDA,WP 5, p 5 (no change from original)

CENTERPOINT ENERGY

Other Rate Riders and Charges in Effect and Continuing

Commission Order, page 85, Ordering Point 44.c.

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

The following Schedule C lists each rate rider along with the rate mechanism, identification of whether or not it is an optional rate to the customer, and the rate rider factor in effect at the time of final rates, December 1, 2016.

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

Schedule C includes:

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

Schedule C does not include:

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

CenterPoint Energy
Docket No. G-008/GR-15-424
Compliance Filing - 9-8-2016
SCHEDULE C
Page 1 of 1

Rider Name	Optional Rate to Customer?	Type of Charge	Rate Effective December 1, 2016
New Area Surcharge	Yes	Base Rates	None currently in effect, varies by area
Conservation Cost Recovery Charge (CCRC) & Conservation Improvement Program Adjustment Rider (CCRA)	No, unless granted exemption	Base Rates	Base Charge per Therm (CCRC) \$0.01950 Adjustment Per Therm (CCRA) \$0.01021
Purchase Gas Adjustment Rider	No	Base Rates	Updated monthly
Franchise Fee Rider	No	Community Imposed Surcharge	Varies by community - See Tariff pages 24, 24.a and 24.b of Section V
Gas Affordability Service Program	No	Base Rates	Firm Customers; \$00462 per therm
Revenue Decoupling Rider	No	Base Rates	Varies by customer class. See decoupling evaluation report filed on September 1, 2016 in Docket No. G-008/GR-13-316.

CENTERPOINT ENERGY

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

Commission Order, page 85, Ordering Point 44.d.

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

- Pages 1-6 – Workpapers calculating the monthly balance in the CIP Tracker from December 31, 2014 through the anticipated date when final rate are effective.
- Page 7 – CIP Tracker restatement to final rates as explained below.
- Page 8 – CIP Cost recovery charge (CCRC) for Final Rates.

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

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

Consistent with the August 25, 2016 MPUC decision in docket G-008/M-16-366 (written Order pending), carrying costs on the CIP tracker continue to be calculated using the short term cost of debt from the Company’s 2013 rate case (docket G-008/GR-13-316).

CenterPoint Energy
CIP Tracker Beginning Balance

December 31, 2014 Balance \$ 2,285,733 /1/

/1/ 2014 CIP Tracker balances and activity were approved in
Docket No. G-008/M-15-421 on August 11, 2015

**CenterPoint Energy
CIP Tracker**

SAP Acct 269030	Throughput DT	Rate per DT	CIP Tracker Debit (Credit)	
December 2014 Balance			<u>2,285,733</u>	/1/ A
January 2015				
CCRC	23,697,040	0.18490 /2/	(4,381,583)	
CCRC	(12,979)	0.18660 /3/	2,422	
CCRA	6,598,273	0.06590 /5/	(434,826)	
CCRC	17,085,788	0.08830 /6/	(1,508,675)	
Deferred Expense			<u>1,562,628</u>	
<i>Subtotal</i>			<u>(2,474,301)</u>	
Carrying Charges			<u>(434)</u>	
January 2015 Balance			<u>(2,474,735)</u>	A
February 2015				
CCRC Recovery	22,303,948	0.18490 /2/	(4,124,000)	
CCRA Recovery	22,303,948	0.08830 /6/	(1,969,439)	
Deferred Expense			<u>996,375</u>	
<i>Subtotal</i>			<u>(7,571,798)</u>	
Carrying Charges			<u>(1,330)</u>	
February 2015 Balance			<u>(7,573,128)</u>	A
March 2015				
CCRC Recovery	23,807,524	0.18490 /2/	(4,402,011)	
CCRA Recovery	23,807,524	0.08830 /6/	(2,102,204)	
Deferred Expense			<u>2,087,001</u>	
<i>Subtotal</i>			<u>(11,990,343)</u>	
Carrying Charges			<u>(2,106)</u>	
March 2015 Balance			<u>(11,992,449)</u>	A
April 2015				
CCRC Recovery	13,383,729	0.18490 /2/	(2,474,651)	
CCRA Recovery	13,383,729	0.08830 /6/	(1,181,783)	
Deferred Expense			<u>999,464</u>	
<i>Subtotal</i>			<u>(14,649,420)</u>	
Carrying Charges			<u>(2,572)</u>	
April 2015 Balance			<u>(14,651,992)</u>	A
May 2015				
CCRC Recovery	7,701,865	0.18490 /2/	(1,424,075)	
CCRA Recovery	7,701,865	0.08830 /6/	(680,075)	
Deferred Expense			<u>2,058,852</u>	
<i>Subtotal</i>			<u>(14,697,290)</u>	
Carrying Charges			<u>(2,581)</u>	
May 2015 Balance			<u>(14,699,871)</u>	A
June 2015				
CCRC Recovery	5,529,318	0.18490 /2/	(1,022,371)	
CCRA Recovery	5,529,318	0.08830 /6/	(488,239)	
Deferred Expense			<u>1,836,864</u>	
<i>Subtotal</i>			<u>(14,373,617)</u>	
Carrying Charges			<u>(2,524)</u>	
June 2015 Balance			<u>(14,376,141)</u>	A

**CenterPoint Energy
CIP Tracker**

SAP Acct 269030	Throughput DT	Rate per DT	CIP Tracker Debit (Credit)	
July 2015				
CCRC Recovery	4,253,008	0.18490 /2/	(786,381)	
CCRA Recovery	4,253,008	0.08830 /6/	(375,541)	
Deferred Expense			2,228,151	
<i>Subtotal</i>			(13,309,912)	
Carrying Charges			(2,337)	
July 2015 Balance			(13,312,249)	A
August 2015				
CCRC Recovery	3,996,300	0.18490 /2/	(738,916)	
CCRA Recovery	3,996,300	0.08830 /6/	(352,873)	
Deferred Expense			1,670,327	
Financial Incentive		/8/	11,699,298	
<i>Subtotal</i>			(1,034,413)	
Carrying Charges			(182)	
August 2015 Balance			(1,034,595)	A
September 2015				
CCRC Recovery	4,188,865	0.18490 /2/	(774,521)	
CCRA Recovery	4,188,865	0.08830 /6/	(369,877)	
Deferred Expense			1,501,089	
<i>Subtotal</i>			(677,904)	
Carrying Charges			(119)	
September 2015 Balance			(678,023)	A
October 2015				
CCRC Recovery	2,495,407	0.18490 /2/	(461,401)	
CCRC Recovery	2,378,514	0.19500 /4/	(463,810)	
CCRA Recovery	4,873,920	0.08830 /6/	(430,367)	
Deferred Expense			1,917,871	
<i>Subtotal</i>			(115,730)	
Carrying Charges			(20)	
October 2015 Balance			(115,750)	A
November 2015				
CCRC Recovery	7,913,696	0.19500 /4/	(1,543,171)	
CCRA Recovery	7,913,696	0.08830 /6/	(698,779)	
Deferred Expense			1,886,902	
<i>Subtotal</i>			(470,799)	
Carrying Charges			(83)	
November 2015 Balance			(470,882)	A
December 2015				
CCRC Recovery	14,670,217	0.19500 /4/	(2,860,692)	
CCRA Recovery	14,670,217	0.08830 /6/	(1,295,380)	
Deferred Expense			7,558,465	
<i>Subtotal</i>			2,931,511	
Carrying Charges			515	
December 2015 Balance			2,932,026	/10/ A

**CenterPoint Energy
CIP Tracker**

SAP Acct 269030	Throughput DT	Rate per DT	CIP Tracker Debit (Credit)	
January 2016				
CCRC Recovery	21,365,230	0.19500 /4/	(4,166,220)	
CCRA Recovery	15,626,252	0.10210 /7/	(1,595,440)	
CCRA Recovery	5,738,978	0.08830 /6/	(506,752)	
Deferred Expense			1,909,406	
<i>Subtotal</i>			(1,426,979)	
Carrying Charges			(251)	
January 2016 Balance			(1,427,230)	A
February 2016				
CCRC Recovery	22,642,417	0.19500 /4/	(4,415,271)	
CCRA Recovery	22,642,417	0.10210 /7/	(2,311,791)	
Deferred Expense			1,243,481	
<i>Subtotal</i>			(6,910,811)	
Carrying Charges			(1,214)	
February 2016 Balance			(6,912,025)	A
March 2016				
CCRC Recovery	18,331,818	0.19500 /4/	(3,574,705)	
CCRA Recovery	18,331,818	0.10210 /7/	(1,871,679)	
Deferred Expense			2,929,186	
<i>Subtotal</i>			(9,429,222)	
Carrying Charges			(1,656)	
March 2016 Balance			(9,430,878)	A
April 2016				
CCRC Recovery	12,740,012	0.19500 /4/	(2,484,302)	
CCRA Recovery	12,740,012	0.10210 /7/	(1,300,755)	
Deferred Expense			1,295,996	
<i>Subtotal</i>			(11,919,940)	
Carrying Charges			(2,093)	
April 2016 Balance			(11,922,033)	A
May 2016				
CCRC Recovery	8,179,375	0.19500 /4/	(1,594,978)	
CCRA Recovery	8,179,375	0.10210 /7/	(835,114)	
Deferred Expense			2,051,105	
<i>Subtotal</i>			(12,301,020)	
Carrying Charges			(2,160)	
May 2016 Balance			(12,303,180)	A
June 2016				
CCRC Recovery	5,286,400	0.19500 /4/	(1,030,848)	
CCRA Recovery	5,286,400	0.10210 /7/	(539,741)	
Deferred Expense			1,636,069	
<i>Subtotal</i>			(12,237,701)	
Carrying Charges			(2,149)	
June 2016 Balance			(12,239,850)	A

**CenterPoint Energy
CIP Tracker**

SAP Acct 269030	Throughput DT	Rate per DT	CIP Tracker Debit (Credit)	
July 2016				
CCRC Recovery	4,061,251	0.19500 /4/	(791,944)	
CCRA Recovery	4,061,251	0.10210 /7/	(414,654)	
Deferred Expense			2,120,228	
<i>Subtotal</i>			(11,326,219)	
Carrying Charges			(1,989)	
July 2016 Balance			<u>(11,328,208)</u>	A
August 2016				
CCRC Recovery	4,355,268	0.19500 /4/	(849,277)	
CCRA Recovery	4,355,268	0.10210 /7/	(444,673)	
Deferred Expense			1,419,057	
<i>Subtotal</i>			(11,203,102)	
Carrying Charges			(1,967)	
August 2016 Balance			<u>(11,205,069)</u>	P
September 2016				
CCRC Recovery	4,573,214	0.19500 /4/	(891,777)	
CCRA Recovery	4,573,214	0.10210 /7/	(466,925)	
Deferred Expense			921,504	
Financial Incentive		/9/	12,732,019	
<i>Subtotal</i>			1,089,752	
Carrying Charges			191	
September 2016 Balance			<u>1,089,943</u>	P
October 2016				
CCRC Recovery	6,020,628	0.19500 /4/	(1,174,022)	
CCRA Recovery	6,020,628	0.10210 /7/	(614,706)	
Deferred Expense			3,173,741	
Financial Incentive				/9/
<i>Subtotal</i>			2,474,955	
Carrying Charges			435	
October 2016 Balance			<u>2,475,390</u>	P
November 2016				
CCRC Recovery	10,670,587	0.19500 /4/	(2,080,764)	
CCRA Recovery	10,670,587	0.10210 /7/	(1,089,467)	
Deferred Expense			2,143,306	
<i>Subtotal</i>			1,448,464	
Carrying Charges			254	
November 2016 Balance			<u>1,448,718</u>	P

Notes:

- /1/ 2014 CIP Tracker balances and activity were approved in Docket No. G008/M-15-421 on Aug. 11, 2015
- /2/ CCRC = \$0.01849/therm was approved in Docket No. G-008/GR-13-316 on November 6, 2014
- /3/ As explained in the August 1, 2014 Docket G008/M-14-368, the implementation of a new CCRC or CCRA results in some usage during the month being billed at the old rate and some at the new rate.
- /4/ Interim CCRC = \$0.01950/therm in Docket No. G008/GR-15-424 effective January 1, 2016 as shown on Exh. 62 KRN-WP Sch 8, WP 13.
- /5/ CCRA = \$0.00659/therm effective November 1, 2013 was approved in Docket G008/M-13-373 on October 18, 2013
- /6/ CCRA = \$0.00833/therm effective January 1, 2015 was approved in Docket G008/M-14-368; the December 19, 2014 compliance filing includes the supporting calculations.
- /7/ CCRA = \$0.01021/therm effective January 1, 2016 was approved in Docket G008/M-15-421 on August 11, 2015
- /8/ 2014 Financial Incentive Approved in Docket No. G-008/M-14-368 on December 17, 2014
- /9/ 2015 Financial Incentive Pending in Docket No. G-008/M-16-366 (Approved at Aug 25, 2016 MPUC Agenda Meeting, written Order pending)
- /10/ 2015 CIP Tracker balances and activity are pending in Docket No. G008/M-16-366 (Approved at Aug 25, 2016 MPUC Agenda Meeting, written Order pending)

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

<u>Month</u>	<u>Filed Rate (2)</u>	<u>Final Rate</u>	<u>Difference</u>	<u>Volumes</u> DTs	<u>Adjustment</u>
Oct-15	0.1950	0.1928	0.0021869	2,378,514	\$ 5,201.57
Nov-15	0.1950	0.1928	0.0021869	7,913,696	\$ 17,306.46
Dec-15	0.1950	0.1928	0.0021869	14,670,217	\$ 32,082.30
Jan-16	0.1950	0.1928	0.0021869	21,365,230	\$ 46,723.62
Feb-16	0.1950	0.1928	0.0021869	22,642,417	\$ 49,516.70
Mar-16	0.1950	0.1928	0.0021869	18,331,818	\$ 40,089.85
Apr-16	0.1950	0.1928	0.0021869	12,740,012	\$ 27,861.13
May-16	0.1950	0.1928	0.0021869	8,179,375	\$ 17,887.48
Jun-16	0.1950	0.1928	0.0021869	5,286,400	\$ 11,560.83
Jul-16	0.1950	0.1928	0.0021869	4,061,251	\$ 8,881.55
Aug-16	0.1950	0.1928	0.0021869	4,355,268	\$ 9,524.54 (1)
Sep-16	0.1950	0.1928	0.0021869	4,573,214	\$ 10,001.16 (1)
Oct-16	0.1950	0.1928	0.0021869	6,020,628	\$ 13,166.51 (1)
Nov-16	0.1950	0.1928	0.0021869	10,670,587	\$ 23,335.51 (1)
Total				<u>143,188,627</u>	<u>\$ 313,139.21</u>

(1) Projected

(2) Filed Rate: Exh 62 KRN-WP, Volume 1, Schedule 8, Page 1 of 1, Workpaper 13

Accounting Entry:

CIP Tracker		313,139.21	
	CIP Expense		313,139.21
<i>True-Up CIP Tracker for final rates.</i>			

CenterPoint Energy
CCRC Rate

Line No.	<u>Amount</u>
1 Current Expense	\$ 28,032,002 /1/
2 Total Throughput	179,184,510 /2/
3 Large Energy Facility Throughput Exemptions	<u>33,800,188 /3/</u>
4 Test Year Throughput (DTs) (line 2 minus line 3)	<u>145,384,322 /4/</u>
5 Test Year Rate (line 1 divide by line5)	<u><u>\$ 0.1928</u></u>

/1/ Exhibit 62 (KRN-WP), Volume 1, Schedule 8, Workpaper 13

/2/ Sch A-2c, Part 2
Page 8 of 8, Line 4: Total Sales (after Curtail)

/3/ Sch A-2c, Part 2
Page 8 of 8, Line 3: CIP Exempt Volumes

/4/ Schedule A-2c, Part 2
Page 8 of 8, Line 11: CCRC volumes

CENTERPOINT ENERGY

REFUND PLAN

Commission Order, page 85, Ordering point 44. e.

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

Summary of Supporting Schedules

- E-1: Refund Plan Proposal
- E-2 Calculation of the refund factor for Interim Rates
- E-3: Interest Calculation

CENTERPOINT ENERGY
Docket No. G-008/GR-15-424
Compliance Filing – 9-8-2016
Schedule E-1

REFUND PLAN

In compliance with the Commission's Findings of Fact, Conclusions, and Order in Docket No. G-008/GR-15-424 ("Final Order"), dated June 3, 2016, CenterPoint Energy submits its Refund Plan for the difference between amounts collected under Interim Rates and the amount authorized in final rates. CenterPoint Energy proposes to refund with interest the difference between the approved interim rate level and the final approved revenue increase.

On September 22, 2015 the Commission issued its Order Setting Interim Rates, authorizing an interim increase of \$47,808,000 on an annual basis for service on and after October 2, 2015. In its Final Order, the Commission authorized an annual revenue increase of \$27,541,000. The difference between the authorized interim revenue of \$47,808,000 and the final rate case approved revenue increase of \$27,541,000, related to base billing rates only, will be used to determine the base percentage amount to be refunded. Interest at the average prime rate will be applied to the base refund amount. The attached schedules summarize and support the level of CenterPoint Energy's estimated refund liability. Note that the attached schedules will be updated just prior to the refund to reflect actual interim revenues billed in place of the estimated revenues shown.

For every customer assessed an interim rate charge, a refund will be calculated based on each customer's assessed interim rate charge multiplied by approximately 43% (see attached schedule A). Applicable franchise fees and sales taxes will be applied to the refund amount, as appropriate. Existing customers will receive a bill credit. Customers due a refund who are no longer CenterPoint Energy customers will receive a check if the refund amount is at greater than \$2.00. Unrefunded monies will be handled in accordance with Minn. Statute 345.34.

Refunds will be credited to accounts or checks issued as close as possible to the implementation of final rates for all eligible customers. It is anticipated that interim rate refunds will be applied to accounts starting the first week of December 2016.

CENTERPOINT ENERGY
Docket No. G-008/GR-15-424
Refund Plan
COMPLIANCE FILING - 9-8-2016
SCHEDULE E-2

INTERIM RATE REFUND PLAN: Calculation of the Factor

(1) BASIS OF REFUND OBLIGATION

(2)

(3) Approved level of Interim rate revenue \$47,808,000 ⁽¹⁾

(4) Final approved revenue Increase \$27,541,000 ⁽²⁾

(5)

(6)

(7) REFUND FACTOR CALCULATION (Prior to Adjustments)

(8)

(9) \$47,808,000 - \$27,541,000 = \$20,267,000

(10)

(11) \$20,267,000 div by \$47,808,000 = 0.42392

(12)

(13)

(14)

(15) CALCULATION OF REFUND OBLIGATION

(16)

(17) Interim Revenues Billed \$46,258,502 See Schedule E3

(18) Refund factor X 0.42392 Line 11 above

(19) Refund amount \$19,609,904

(20)

(21) Interest to Refund \$457,798 See Schedule E3

(22)

(23)

(24)

(25) **Refund Obligation (line 19 + 21)** \$20,067,702

(26)

(27)

(28) **Refund Factor to be applied to customers' interim charges** **0.43382**

(29) \$20,067,702 divided by \$46,258,502

(30)

(31) (1) - Interim Rate Petition, August 3, 2015. Schedule IR-6, Information Requirement
- Hearing Exhibit 2

(32) (2) - Final Order - June 3, 2016, Ordering Point #1, pg. 71

(33)

CENTERPOINT ENERGY
Docket No. G-008/GR-15-424
Refund Plan
COMPLIANCE FILING - 9-8-2016
SCHEDULE E-3

INTERIM RATE REFUND PLAN: Interest Calculation

(1) INTEREST CALCULATION

(2)
(3) Beginning/End of Month Average Balance

(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
		<u>Beginning</u>	<u>Ending</u>	<u>Average</u>	<u>Annual</u>	<u>Daily</u>	<u>Days</u>	<u>Interest</u>										
		<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Rate 2/</u>	<u>Rate</u>												
(7)	Oct-15	0	\$864,855	\$432,427	3.25%	0.000089	30	\$1,194										
(8)	Nov-15	\$864,855	\$3,422,240	\$2,143,548	3.25%	0.000089	30	\$5,726										
(9)	Dec-15	\$3,422,240	\$5,873,516	\$3,819,917	3.25%	0.000089	16	\$5,442										
(10)	Dec-15	\$5,873,516	\$8,171,587	\$6,194,590	3.50%	0.000096	15	\$8,910										
(11)	Jan-16	\$8,171,587	\$15,095,755	\$11,633,671	3.50%	0.000096	31	\$34,582										
(12)	Feb-16	\$15,095,755	\$22,234,569	\$18,665,162	3.50%	0.000096	29	\$51,904										
(13)	Mar-16	\$22,234,569	\$28,025,952	\$25,130,261	3.50%	0.000096	31	\$74,702										
(14)	Apr-16	\$28,025,952	\$32,076,575	\$30,051,264	3.50%	0.000096	30	\$86,449										
(15)	May-16	\$32,076,575	\$34,714,780	\$33,395,677	3.50%	0.000096	31	\$99,272										
(16)	Jun-16	\$34,714,780	\$36,504,794	\$35,609,787	3.50%	0.000096	30	\$102,439										
(17)	Jul-16	\$36,504,794	\$37,889,502	\$37,197,148	3.50%	0.000096	31	\$110,572										
(18)	Aug-16	\$37,889,502	\$39,383,502	\$38,636,502	3.50%	0.000096	31	\$114,851										
(19)	Sep-16	\$39,383,502	\$40,946,502	\$40,165,002	3.50%	0.000096	30	\$115,543										
(20)	Oct-16	\$40,946,502	\$42,879,502	\$41,913,002	3.50%	0.000096	31	\$124,591										
(21)	Nov-16	\$42,879,502	\$46,258,502	\$44,569,002	3.50%	0.000096	30	\$128,212										
(22)	Dec-16	\$46,258,502	\$0	\$23,129,251	3.50%	0.000096	7	\$15,525										

(23)																		
(24)																		
(25)	1/	Refunds early December 2016																
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(30)	Estimated																	
(31)	<u>Interim Rate Revenue</u>																	
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Estimate based on Final Sales forecast X Interim Rates for remaining months