



505 Nicollet Mall
P.O. Box 59038
Minneapolis, MN 55459-0038

August 3, 2015

Dr. Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Ste. 350
St. Paul, MN 55101-2147

**Re: Notice of Miscellaneous Rate Change – New Base Gas Cost Filing (PGA Zero-Out) for Interim Rates in CenterPoint Energy’s General Rate Docket No. G-008/GR-15-424
Docket No. G-008/MR-15-_____**

Dear Dr. Haar:

Pursuant to Minn. Rules Pt. 7829.1300 Miscellaneous Tariff Change, Minn. Rules Pt. 7825-2700 Subpt. 2, New base gas cost and Minn. Rules Pt. 7825.3200 (B), Miscellaneous Rate Change, CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy) submits for filing a Notice of Miscellaneous Rate Change (“Notice”) requesting Commission approval to implement new base gas costs (PGA zero-out) in CenterPoint Energy’s general rate filing, Docket No. G-008/GR-15-424.

This miscellaneous filing matches CenterPoint Energy’s proposed interim retail billing rates with the gas costs used to calculate CenterPoint Energy’s proposed interim rate revenue. This filing eliminates the purchased gas adjustment (PGA), which represents the difference between CenterPoint Energy’s current base costs approved in Docket No. G-008/GR-13-316, and the new base gas costs used in CenterPoint Energy’s current general rate filing in Docket No. G-008/GR-15-424.

The final Interim rate percentage has not been approved at this time. All proposed Interim tariffs would be changed, if necessary, to reflect the final approved Interim rate percentage.

Current actual gas costs differ from the new base costs used in this filing due to monthly changes in delivered gas costs, as well as inclusion of Gas Cost Reconciliation (GCR) factors (true-up factors) included in current retail billing rates.

In the test year and in the Interim Rate Petition, gas costs incurred and gas costs recovered have been matched, therefore, no GCR factors are included. Upon implementation of Interim rates, a PGA will exist which will include the difference between actual delivered gas costs and new base gas costs, as well as the current year’s GCR factors.

If further information is required, please contact me at 612-321-5078.

Sincerely,

Marie M. Doyle
Rates Analyst

cc: Attached Service List

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CENTERPOINT ENERGY

Notice of Miscellaneous Rate Change Requesting Approval to Establish a New Base Cost of Gas to Coincide with the Implementation of Interim Rates in Docket No. G-008/GR-15-424.

| <u>Attachment</u> | <u>Description</u> |
|-------------------|--|
| A | Affidavit of Service and Service List |
| B | Information Required by Minn. R. pt. 7829.1300 |
| C | Information Required by Minn. R. pt. 7825.3200 (B) |
| D | Proposed Interim Tariff Sheets |
| E | Additional Information |

EXHIBIT A

Affidavit of Service

Notice of Miscellaneous Tariff Change

Service List

CENTERPOINT ENERGY

NOTICE OF MISCELLANEOUS TARIFF CHANGE

This Notice is filed pursuant to Minn. Stat. (MS) §216B.08 and MS §216B.16. The information required by Minn. R. pt. 7829.1300 is as follows:

7829.1300 MISCELLANEOUS TARIFF AND PRICE LIST FILINGS

Subpart 1. Summary

CenterPoint Energy requests Commission approval to establish a new Base Cost of Gas to coincide with the implementation of interim rates in Docket No. G-008/GR-15-424.

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas
MPUC Docket No. G-008/GR-15-424
Per Minn. R. 7829.0600 and 7829.2400

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

Sharon Ferguson
Office of Energy Security
85 7th Place East, Ste. 500
St. Paul, MN 55101

Robert C. Harding
Minnesota Public Utilities Commission
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St. Paul, MN 55101

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St. Paul, MN 55102

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Izaak Walton League of America
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202 So Main Street
Le Sueur, MN 56058

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Pam Marshall
Energy CENTS Coalition
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Minnesota Power
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Duluth, MN 55802

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Minneapolis, MN 55402

Greg Palmer
Greater Minnesota Gas
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LauraSue Schlatter
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St. Paul, MN 55164-0620

Janet Shaddix Elling
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Bloomington, MN 55431

Peggy Sorum
CenterPoint Energy
800 LaSalle Avenue
P.O. Box 59038
Minneapolis, MN 55459-0038

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Kennedy & Graven
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Minneapolis, MN 55402

Eric Swanson
Winthrop & Weinstine
225 South 6th St, Ste 3500
Minneapolis, MN 55402-4629

EXHIBIT B

Information Required by Minn. R. pt. 7829.1300

CENTERPOINT ENERGY

NOTICE OF MISCELLANEOUS TARIFF CHANGE

7829.1300 MISCELLANEOUS TARIFF AND PRICE LIST FILINGS

Subpart 2. Service

CenterPoint Energy has served via E-Filing a copy of this Petition on the Minnesota Public Utilities Commission and the Minnesota Office of Energy Security.

CenterPoint Energy has served this Petition on the Office of the Attorney General-Residential Utilities Division.

Pursuant to Minn. R. pt. 7829.1300, subp. 2, CenterPoint Energy has served the summary of this Petition shown above in subpart 1, to all persons on the applicable service list.

CenterPoint Energy has served a copy of its service list for this filing on all of the above.

Subpart 3. Content of filing subject to specific requirements

A. Name, address, and telephone number of the utility, without abbreviation:

CenterPoint Energy Gas Resources Corp., d/b/a CenterPoint Energy Minnesota Gas
505 Nicollet Mall
Minneapolis, Minnesota 55402
(612) 372-4664

B. Name, address, and telephone number of the attorney for the utility:

Brenda A. Bjorklund, Director of Law
CenterPoint Energy
505 Nicollet Mall
Minneapolis, Minnesota 55402
(612) 372-4976

C. The date of the filing and the date the proposed rate or service change will go into effect:

Date Filed: August 3, 2015
Effective Date: October 2, 2015

CENTERPOINT ENERGY

NOTICE OF MISCELLANEOUS TARIFF CHANGE

7829.1300 MISCELLANEOUS TARIFF AND PRICE LIST FILINGS

Subpart 3. Content of filing subject to specific requirements (continued)

D. The statute that the utility believes controls the time frame for processing the filing:

Minnesota Statute §216B.16

E. The signature and title of the utility employee responsible for the filing:

/s/

Marie M. Doyle
Rates Analyst
CenterPoint Energy

EXHIBIT C

Information Required by Minn. R. pt. 7825.3200 (B)

CENTERPOINT ENERGY

NOTICE OF MISCELLANEOUS TARIFF CHANGE

This Notice is filed pursuant to Minn. Stat. (MS) §216B.08 and MS §216B.16. The information required by Minn. R. pt. 7825.3200(B) is as follows:

Subpart 1. Proposal for change in rates as prescribed in part 7825.3500

- A. Name, address, and telephone number of the utility without abbreviation and the name, address, and telephone number of the attorney for the utility, if there be one:

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas
505 Nicollet Mall
Minneapolis, Minnesota 55402
(612) 372-4664

Brenda A. Bjorklund, Director of Law
CenterPoint Energy
505 Nicollet Mall
Minneapolis, Minnesota 55402
(612) 372-4976

- B. The date of the filing and date modified rates are effective:

Date Filed: August 3, 2015
Effective Date: October 2, 2015

- C. Description and purpose of the change in rates request:

CenterPoint Energy requests approval to establish a new Base Cost of Gas to coincide with implementation of Interim Rates in Docket No. G-008/GR-15-424. This filing matches CenterPoint Energy's proposed interim retail billing rates with the gas costs used to calculate CenterPoint Energy's proposed interim rate revenue. This filing eliminates the Purchased Gas Adjustment (PGA) which represents the difference between CenterPoint Energy's current base cost of gas approved in Docket No. G-008/GR-13-316 and the new base cost of gas used in CenterPoint Energy's current general rate filing in Docket No. G-008/GR-15-424.

CENTERPOINT ENERGY

NOTICE OF MISCELLANEOUS RATE CHANGE

Subpart 1. Proposal for change in rates as prescribed in part 7825.3500 (continued)

- D. The effect of the change in rates expressed in gross revenue dollars and as a percentage of test year gross revenue:

CenterPoint Energy's proposed interim rates in Docket No. G-008/GR-15-424 are based on the new base gas costs included in this filing. The effect of the change in rates is described in CenterPoint Energy's Petition for Interim Rates in Docket No. G-008/GR-15-424. (See Exhibit E, Attachment 1)

- E. Signature and title of the utility officer authorizing the proposal:

_____/s/_____
Joseph Vortherms
Division Vice President of Regional Operations

Subpart 2. Substantiating documents and exhibits supporting the change requested

See Exhibit E.

Subpart 3. Modified rates as prescribed in part 7825.36

See Exhibit D for CenterPoint Energy's proposed tariff changes.

Subpart 4. Statement indicating the method of payment of refunds

CenterPoint Energy will make refunds as required by the Commission as explained in the Agreement and Undertaking filed in CenterPoint Energy's request for a general rate increase in Docket No. G-008/GR-15-424.

EXHIBIT D

Proposed Interim Tariff Sheets

CenterPoint Energy

INTERIM TARIFFS G008/GR-15-424

RATE SCHEDULES AND APPLICABLE PROVISIONS SUMMARY OF TARIFF PAGE CHANGES

Section V.

GAS SALES SERVICE

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|--|------------|
| Residential Sales Service | Page 1 |
| Small Volume Commercial and Industrial Sales Service | Page 2 |
| Large General Firm Sales Service | Page 3 |
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| Small Volume Firm/Interruptible Sales Service | Page 5.a** |
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| Large Volume Dual Fuel Sales Service | Page 6.a** |
| Market Rate Service Rider | Page 11 |
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TRANSPORTATION SERVICE

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| Small Volume Firm Transportation Service | Page 14 |
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| Large Volume Firm Transportation Service | Page 15 |
| Large Volume Firm Transportation Service | Page 15.c** |
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| Large Volume Dual Fuel Transportation Service | Page 18.c** |

| | |
|-----------------------------------|-----------|
| Gas Affordability Service Program | Page 25.a |
|-----------------------------------|-----------|

*Note – Same page filed in Docket G-008/M-15-421.

**Note – CNP updated references to “Automatic Bank Draft” and “Budget Billing” to “AutoPay” and “Average Monthly Billing” respectively – changes authorized in Docket No. G-008/M-14-753.

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 | \$0.18458 | \$0. 477404 2543 |

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 ~~Automatic Bank Draft~~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 ~~Budget Plan~~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 | \$0.14129 | \$0.4787342665 |
| Equal to or greater than 1500 Therms and less than 5000 Therms | \$21.00 | \$0.13329 | \$0.4787342665 |
| Greater than or equal to 5000 Therms | \$43.00 | \$0.13969 | \$0.4749842334 |

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 ~~Automatic Bank Draft~~ 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 ~~Budget Plan~~ 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 | \$0.5325956095 |
| Commodity charge (per therm) | | \$0.05034 | \$0.3880534184 |

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 Automatic Bank Draft 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 Budget Plan 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.

Date Filed: ~~September 8, 2014~~ August 3, 2015 Effective Date: ~~December 1, 2014~~ October 2, 2015

Docket No: G-008/GR-~~13-31615-424~~

Issued by: Jeffrey A. Daugherty, Director, Regulatory and Legislative Activities

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 | \$0.11409 | \$0. 40974 <u>36059</u> |
| Greater than or equal to 120,000 Therms | \$ 80.00 | \$0.10697 | \$0. 40974 <u>36059</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.

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

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

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

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

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the ~~Automatic Bank Draft~~ 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 | | \$0.13969 | \$0. 474984 <u>2334</u> |
| Interruptible Volumes | | \$0.11409 | \$0. 409743 <u>6059</u> |
| Greater than or equal to 120,000 Therms | \$ 80.00 | | |
| Firm Volumes | | \$0.13969 | \$0. 474984 <u>2334</u> |
| Interruptible Volumes | | \$0.10697 | \$0. 409743 <u>6059</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 Firm Volumes:

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

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

Special Conditions Interruptible Volumes:

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

Special Conditions Firm and Interruptible

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

Due Date

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the ~~Automatic Bank Draft~~ 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 | \$0.05034 | \$0. 38805 <u>34184</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 ~~Automatic Bank Draft~~ 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 | \$0.27438 |
| Small Volume C/I Transportation Serv. Annual usage greater or equal to 5,000 therms | \$143.00 | \$0.00500 | \$0.27438 |
| Large General Firm Sales Service | \$800.00 | | |
| | | Demand ⁽¹⁾ | \$0.0000 \$0.85078 |
| | | Commodity | \$0.00500 \$0.09568 |
| Large General Firm Transportation Serv. | \$900.00 | | |
| | | Demand ⁽¹⁾ | \$0.0000 \$0.85078 |
| | | Commodity | \$0.00500 \$0.09568 |
| Small Vol. Dual Fuel Sales Service Annual usage less than 120,000 therms | \$50.00 | \$0.00500 | \$0.22318 |
| Annual usage greater than or equal to 120,000 therms | \$80.00 | \$0.00500 | \$0.20894 |
| Small Vol. Dual Fuel Transportation Serv. Annual usage less than 120,000 therms | \$160.00 | \$0.00500 | \$0.22318 |
| Annual usage greater than or equal to 120,000 therms | \$190.00 | \$0.00500 | \$0.20894 |
| Large Vol. Dual Fuel Sales Service | \$800.00 | \$0.00500 | \$0.09568 |
| Large Vol. Dual Fuel Transportation Serv. | \$900.00 | \$0.00500 | \$0.09568 |

(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) |
|---------------------------------|-------------------|
| \$0.0 184901950 | \$0.00883 |

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 | \$0.14129 | \$0. 07692 <u>07646</u> |
| Equal to or greater than 1500 Therms and less than 5000 Therms | \$121.00 | \$0.13329 | \$0. 07692 <u>07646</u> |
| Greater than or equal to 5000 Therms | \$143.00 | \$0.13969 | \$0. 07692 <u>07646</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 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)**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 ~~Automatic Bank Draft~~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. 53259 56095 |
| Commodity charge (per therm) | \$0.05034 | |

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)

Failure of Transportation Supply:

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

Penalty for Unauthorized gas Use:

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

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

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

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

Due Date:

The due date printed on customer bills will not be more than five days before the next scheduled billing date. However, customers who have selected the ~~Automatic Bank Draft~~ 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 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 | \$0.11409 |
| Equal to or greater than 120,000 Therms | \$180.00 | \$0.10697 |

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)

- 2) For positive imbalances - 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.

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 ~~Automatic Bank Draft~~ 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 | \$0.05034 |

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 - 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.
- 3) For positive imbalances - 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.
- 4) 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 ~~Automatic Bank Draft~~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.~~0051900470~~ per therm 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.

EXHIBIT E

Additional Information

Attachments

- | | |
|---|---|
| 1 | Interim Year Billing Revenue |
| 2 | Test Year Demand Cost of Gas Recovery Rates* |
| 3 | Test Year Commodity Cost of Gas Recovery Rates* |
| 4 | Test Year Billing Rates |
| 5 | Cost of Gas Recovery Rates by Class |

*Detailed description of gas cost assumptions are found in the testimony and exhibits of Kirk R. Nesvig and more specifically in Mr. Nesvig's workpapers. Exhibit___ (KRN-WP), Vol. 3, Schedule 61, Workpapers 1 through 8.

ATTACHMENT 1

CenterPoint Energy,
A division of CenterPoint Energy Resources Corp.

Docket No. G-008/GR-15-424
Exhibit____(PJS-IR)
Schedule 2

CenterPoint Energy
Interim Year Billing Revenues
Interim - Twelve Months Ending September 30, 2016
(\$000s)

| Line No. | Description (a) | Total Test Year Revenues (b) | Interim Year Billing Revenues (c) |
|----------|--|------------------------------|-----------------------------------|
| 1 | Residential | \$519,528 | \$519,528 |
| 2 | Commercial & Industrial | 226,130 | 226,130 |
| 3 | Dual Fuel & Transportation | <u>101,200</u> | <u>101,200</u> |
| 4 | Total | \$846,858 | \$846,858 |
| 5 | Interim Rate Revenue Deficiency | | \$47,808 |
| 6 | Interim Revenue Increase as a % (Line 5/Line 4) | | 5.65% |

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

| 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>\$ 14,143</u> |
| 5 | Small Volume Demand Costs | <u>\$ 81,372,303</u> |
| 6 | Annual Firm Sales | <u>106,421,100</u> |
| 7 | Small Volume Recovery Rate | <u>\$ 0.7646</u> |
| 8 | Test Year Demand Costs | |
| 9 | Annual Small Volume Firm Sales | 106,421,100 |
| 10 | Small Volume Recovery Rate | <u>\$ 0.7646</u> |
| 11 | Total Test Year Small Volume Demand Costs | <u>\$ 81,370,000</u> |
| 12 | Total Test Year LGS Demand Costs | <u>\$ 14,000</u> |
| 13 | Total Test Year Demand Costs | <u>\$ 81,384,000</u> |

Docket No. G-008/GR-15-424
Exhibit____(KRN-D)
Schedule 61, Page 3 of 3

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

| Line No. | Description (a) | Test Year Sales (b) | Recovery Rate (c) | Commodity Costs (d) |
|----------|-------------------------------|---------------------|-------------------|---------------------|
| 1 | Total Company | | | |
| 2 | Residential | 70,137 | 3.4897 | \$244,758 |
| 3 | Commerical/Industrial A & B | 8,020 | 3.5019 | 28,085 |
| 4 | Commerical/Industrial C | 28,264 | 3.4688 | 98,042 |
| 5 | Small Dual Fuel | 11,915 | 3.6059 | 42,964 |
| 6 | Large Volume Firm & Dual Fuel | 4,246 | 3.4184 | 14,514 |
| 7 | Total | <u>122,582</u> | | <u>\$428,363</u> |

CenterPoint Energy
Annualization of Gas Costs

| Residential: | Oct-15 | Nov-15 | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Total |
|--|------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| MDT | 1,992 | 4,540 | 9,421 | 12,846 | 12,857 | 10,846 | 6,662 | 4,100 | 2,241 | 1,698 | 1,465 | 1,468 | 70,137 |
| Commodity COG | \$ 3.09 | \$ 3.45 | \$ 3.64 | \$ 3.72 | \$ 3.65 | \$ 3.45 | \$ 3.15 | \$ 3.13 | \$ 3.15 | \$ 3.30 | \$ 3.37 | \$ 3.47 | |
| Commodity Recovered | \$ 6,149 | \$ 15,650 | \$ 34,274 | \$ 47,842 | \$ 46,865 | \$ 37,452 | \$ 20,994 | \$ 12,844 | \$ 7,060 | \$ 5,598 | \$ 4,942 | \$ 5,091 | \$ 244,758 |
| Commodity Recovery Rate | \$ 3.4897 | | | | | | | | | | | | |
| Commercial/Industrial A & B: | Oct-15 | Nov-15 | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Total |
| MDT | 173 | 417 | 1,036 | 1,589 | 1,613 | 1,307 | 780 | 425 | 224 | 164 | 146 | 148 | 8,020 |
| Commodity COG | \$ 3.09 | \$ 3.45 | \$ 3.64 | \$ 3.72 | \$ 3.65 | \$ 3.45 | \$ 3.15 | \$ 3.13 | \$ 3.15 | \$ 3.30 | \$ 3.37 | \$ 3.47 | |
| Commodity Recovered | \$ 535 | \$ 1,436 | \$ 3,768 | \$ 5,918 | \$ 5,878 | \$ 4,513 | \$ 2,457 | \$ 1,330 | \$ 706 | \$ 539 | \$ 492 | \$ 513 | \$ 28,084 |
| Commodity Recovery Rate | \$ 3.5019 | | | | | | | | | | | | |
| Commercial/Industrial C: | Oct-15 | Nov-15 | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Total |
| MDT | 1,008 | 1,845 | 3,425 | 4,657 | 4,699 | 4,217 | 2,762 | 1,853 | 1,142 | 922 | 844 | 890 | 28,264 |
| Commodity COG | \$ 3.09 | \$ 3.45 | \$ 3.64 | \$ 3.72 | \$ 3.65 | \$ 3.45 | \$ 3.15 | \$ 3.13 | \$ 3.15 | \$ 3.30 | \$ 3.37 | \$ 3.47 | |
| Commodity Recovered | \$ 3,111 | \$ 6,360 | \$ 12,461 | \$ 17,345 | \$ 17,126 | \$ 14,562 | \$ 8,702 | \$ 5,806 | \$ 3,598 | \$ 3,038 | \$ 2,848 | \$ 3,086 | \$ 98,042 |
| Commodity Recovery Rate | \$ 3.4688 | | | | | | | | | | | | |
| Small Dual Fuel: | Oct-15 | Nov-15 | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Total |
| MDT | 758 | 1,281 | 1,849 | 2,146 | 1,745 | 1,315 | 914 | 574 | 344 | 309 | 316 | 364 | 11,915 |
| Commodity COG | \$ 3.09 | \$ 3.62 | \$ 3.82 | \$ 3.90 | \$ 3.82 | \$ 3.63 | \$ 3.15 | \$ 3.13 | \$ 3.15 | \$ 3.30 | \$ 3.37 | \$ 3.47 | |
| Commodity Recovered | \$ 2,339 | \$ 4,644 | \$ 7,055 | \$ 8,373 | \$ 6,669 | \$ 4,775 | \$ 2,879 | \$ 1,798 | \$ 1,085 | \$ 1,019 | \$ 1,065 | \$ 1,261 | \$ 42,964 |
| Commodity Recovery Rate | \$ 3.6059 | | | | | | | | | | | | |
| Large Volume Firm & Dual Fuel | Oct-15 | Nov-15 | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Total |
| MDT | 385 | 474 | 408 | 483 | 464 | 418 | 315 | 241 | 230 | 242 | 279 | 306 | 4,246 |
| Commodity COG | \$ 3.09 | \$ 3.45 | \$ 3.64 | \$ 3.72 | \$ 3.65 | \$ 3.45 | \$ 3.15 | \$ 3.13 | \$ 3.15 | \$ 3.30 | \$ 3.37 | \$ 3.47 | |
| Commodity Recovered | \$ 1,189 | \$ 1,632 | \$ 1,486 | \$ 1,799 | \$ 1,690 | \$ 1,443 | \$ 994 | \$ 755 | \$ 726 | \$ 798 | \$ 942 | \$ 1,060 | \$ 14,514 |
| Commodity Recovery Rate | \$ 3.4184 | | | | | | | | | | | | |
| Weighted Average: | Oct-15 | Nov-15 | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Total |
| MDT | 4,317 | 8,557 | 16,140 | 21,721 | 21,377 | 18,104 | 11,432 | 7,192 | 4,181 | 3,335 | 3,051 | 3,176 | 122,582 |
| Commodity COG | \$ 3.09 | \$ 3.45 | \$ 3.64 | \$ 3.72 | \$ 3.65 | \$ 3.45 | \$ 3.15 | \$ 3.13 | \$ 3.15 | \$ 3.30 | \$ 3.37 | \$ 3.47 | |
| Commodity Recovered | \$ 13,322 | \$ 29,722 | \$ 59,044 | \$ 81,277 | \$ 78,228 | \$ 62,746 | \$ 36,025 | \$ 22,532 | \$ 13,175 | \$ 10,989 | \$ 10,289 | \$ 11,012 | \$ 428,362 |
| Commodity Recovery Rate | \$ 3.4945 | | | | | | | | | | | | |

ATTACHMENT 4

Page 1 of 2

Docket No. G-008/GR-15-424

Exhibit _____ (KRN-D)

Schedule 58, Page 2 of 4

CenterPoint Energy

| ADJUSTMENT OF BASE YEAR COST OF GAS RATE TO TEST YEAR COST OF GAS RATE | | | | |
|--|---|-----------------------|----------------|-------------------------|
| Line No. | Description (a) | Current Base Rate (b) | Adjustment (c) | Test Year Base Rate (d) |
| 1 | FIRM: | | | |
| 2 | | | | |
| 3 | <u>Residential</u> | | | |
| 4 | Basic Charge | \$ 9.50 | | \$ 9.50 |
| 5 | Delivery Charge 1/ | 0.18458 | | 0.18458 |
| 6 | GAP Charge | 0.00519 | | 0.00519 |
| 7 | Cost of Gas | 0.47740 | -0.05197 | 0.42543 |
| 8 | Total Rate | 0.66717 | | 0.61520 |
| 9 | | | | |
| 10 | <u>Commercial A</u> | | | |
| 11 | Basic Charge | \$ 15.00 | | \$ 15.00 |
| 12 | Delivery Charge | 0.14129 | | 0.14129 |
| 13 | GAP Charge | 0.00519 | | 0.00519 |
| 14 | Cost of Gas | 0.47873 | -0.05208 | 0.42665 |
| 15 | Total Rate | 0.62521 | | 0.57313 |
| 16 | | | | |
| 17 | <u>Commercial/Industrial B</u> | | | |
| 18 | Basic Charge | \$ 21.00 | | \$ 21.00 |
| 19 | Delivery Charge | 0.13349 | | 0.13349 |
| 20 | GAP Charge | 0.00519 | | 0.00519 |
| 21 | Cost of Gas | 0.47873 | -0.05208 | 0.42665 |
| 22 | Total Rate | 0.61741 | | 0.56533 |
| 23 | | | | |
| 24 | <u>Commercial/Industrial C</u> | | | |
| 25 | Basic Charge | \$ 43.00 | | \$ 43.00 |
| 26 | Delivery Charge | 0.13969 | | 0.13969 |
| 27 | GAP Charge | 0.00519 | | 0.00519 |
| 28 | Cost of Gas | 0.47498 | -0.05164 | 0.42334 |
| 29 | Total Rate | 0.61986 | | 0.56822 |
| 30 | | | | |
| 31 | <u>Large General Service</u> | | | |
| 32 | Basic Charge | \$ 800.00 | | \$ 800.00 |
| 33 | Demand Charge (per unit of Peak Day Demand) | | | |
| 34 | Delivery Charge | 0.42539 | | 0.42539 |
| 35 | Cost of Gas | 0.53259 | 0.02836 | 0.56095 |
| 36 | Total Demand Rate | 0.95798 | | 0.98634 |
| 37 | Commodity Charge (Per Therm usage) | | | |
| 38 | Delivery Charge | 0.05034 | | 0.05034 |
| 39 | GAP Charge | 0.00519 | | 0.00519 |
| 40 | Cost of Gas | 0.38805 | -0.04621 | 0.34184 |
| 41 | Total Commodity Rate | 0.44358 | | 0.39737 |

CenterPoint Energy

| ADJUSTMENT OF BASE YEAR COST OF GAS RATE TO TEST YEAR COST OF GAS RATE | | | | |
|--|---|-----------------------|----------------|-------------------------|
| Line No. | Description (a) | Current Base Rate (b) | Adjustment (c) | Test Year Base Rate (d) |
| 1 | DUAL FUEL: | | | |
| 2 | | | | |
| 3 | <u>Small Volume Dual Fuel-A</u> | | | |
| 4 | Basic Charge | \$ 50.00 | | \$ 50.00 |
| 5 | Delivery Charge | 0.11409 | | 0.11409 |
| 6 | Cost of Gas | 0.40974 | -0.04915 | 0.36059 |
| 7 | Total Rate | 0.52383 | | 0.47468 |
| 8 | | | | |
| 9 | <u>Small Volume Dual Fuel-B</u> | | | |
| 10 | Basic Charge | \$ 80.00 | | \$ 80.00 |
| 11 | Delivery Charge | 0.10697 | | 0.10697 |
| 12 | Cost of Gas | 0.40974 | -0.04915 | 0.36059 |
| 13 | Total Rate | 0.51671 | | 0.46756 |
| 14 | | | | |
| 15 | <u>Large Volume Dual Fuel</u> | | | |
| 16 | Basic Charge | \$ 800.00 | | \$ 800.00 |
| 17 | Delivery Charge | 0.05034 | | 0.05034 |
| 18 | Cost of Gas | 0.38805 | -0.04621 | 0.34184 |
| 19 | Total Rate | 0.43839 | | 0.39218 |
| 20 | | | | |
| 21 | TRANSPORTATION SERVICE | | | |
| 22 | | | | |
| 23 | <u>Commercial/Industrial C</u> | | | |
| 24 | Basic Charge | \$ 143.00 | | \$ 143.00 |
| 25 | Delivery Charge | 0.13969 | | 0.13969 |
| 26 | GAP Charge | 0.00519 | | 0.00519 |
| 27 | Total Rate | 0.14488 | | 0.14488 |
| 28 | | | | |
| 29 | <u>Small Volume Dual Fuel-A</u> | | | |
| 30 | Basic Charge | \$ 150.00 | | \$ 150.00 |
| 31 | Delivery Charge | 0.11409 | | 0.11409 |
| 32 | | | | |
| 33 | <u>Small Volume Dual Fuel-B</u> | | | |
| 34 | Basic Charge | \$ 180.00 | | \$ 180.00 |
| 35 | Delivery Charge | 0.10697 | | 0.10697 |
| 36 | | | | |
| 37 | <u>Large Volume Dual Fuel</u> | | | |
| 38 | Basic Charge | \$ 900.00 | | \$ 900.00 |
| 39 | Delivery Charge | 0.05034 | | 0.05034 |
| 40 | | | | |
| 41 | 1/ Delivery charge Includes CCRC, does not include CCRA | | | |

ATTACHMENT 5

Docket No. G-008/GR-15-424

Exhibit (KRN-D)

Schedule 58, Page 4 of 4

CenterPoint Energy

| 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 | 12/1/2014 | Base Rate | 0.40048 | 0.07692 | 0.47740 | 0.00000 | 0.47740 |
| 5 | | PGA | (0.05151) | (0.00046) | (0.05197) | 0.00000 | (0.05197) |
| 6 | NEW | Test Year Recovery Rate | 0.34897 | 0.07646 | 0.42543 | 0.00000 | 0.42543 |
| 7 | | | | | | | |
| 8 | | | | | | | |
| 9 | <u>Commercial/Industrial A and B</u> | | | | | | |
| 10 | OLD | Base Rate | 0.40181 | 0.07692 | 0.47873 | 0.00000 | 0.47873 |
| 11 | | PGA | (0.05162) | (0.00046) | (0.05208) | 0.00000 | (0.05208) |
| 12 | NEW | Test Year Recovery Rate | 0.35019 | 0.07646 | 0.42665 | 0.00000 | 0.42665 |
| 13 | | | | | | | |
| 14 | | | | | | | |
| 15 | <u>Commercial/Industrial C</u> | | | | | | |
| 16 | OLD | Base Rate | 0.39806 | 0.07692 | 0.47498 | 0.00000 | 0.47498 |
| 17 | | PGA | (0.05118) | (0.00046) | (0.05164) | 0.00000 | (0.05164) |
| 18 | NEW | Test Year Recovery Rate | 0.34688 | 0.07646 | 0.42334 | 0.00000 | 0.42334 |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | <u>Large General Service</u> | | | | | | |
| 22 | OLD | Base Rate | 0.38805 | 0.53259 | 0.38805 | 0.00000 | 0.38805 |
| 23 | | PGA | (0.04621) | 0.02836 | (0.04621) | 0.00000 | (0.04621) |
| 24 | NEW | Test Year Recovery Rate | 0.34184 | 0.56095 | 0.34184 | 0.00000 | 0.34184 |
| 25 | | 1/ Demand cost is based on Peak Day. Total Rate reflects only Commodity costs | | | | | |
| 26 | | | | | | | |
| 27 | | | | | | | |
| 28 | | | | | | | |
| 29 | <u>Large Volume Dual Fuel</u> | | | | | | |
| 30 | OLD | Base Rate | 0.38805 | 0.00000 | 0.38805 | 0.00000 | 0.38805 |
| 31 | | PGA | (0.04621) | 0.00000 | (0.04621) | 0.00000 | (0.04621) |
| 32 | NEW | Test Year Recovery Rate | 0.34184 | 0.00000 | 0.34184 | 0.00000 | 0.34184 |