



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

March 25, 2019

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

VIA E-FILING

**RE: Petition by CenterPoint Energy to Introduce a Renewable Natural Gas Pilot Program
Proposed Program Tariff, and Marketing and Enrollment Materials
Docket No. G-008/M-18-547**

Dear Mr. Wolf:

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, ("CenterPoint Energy" or the "Company") respectfully submits the attached draft marketing materials and revised draft tariff pages.

Attachment 1 is a draft bill insert that will be used to advertise the RNG program to customers upon approval of the Pilot by the Minnesota Public Utilities Commission. Attachment 2 is a sample of the Company's proposed enrollment webpage. Neither Attachment is final; both will be updated to reflect a formal name for the Pilot, after one is selected, and prices described in each Attachment will be updated when a final RNG Price is established.

Revised draft tariff pages are included in Attachment 3. These pages reflect the modifications to program design proposed by CenterPoint Energy in *Reply Comments*.¹ Rates included in the proposed tariff pages are for illustrative purposes only, and the tariff pages will be revised to reflect a formal name for the Pilot, after one is selected.

In addition to the attachments, the Company would like to correct a statement in its *Reply Comments*, filed in this docket on March 1, 2019. On page 8, footnote 26, the Company inaccurately stated that several California Air Resources Board fuel pathways are approved for Minnesota RNG producers. The California Air Resources Board website instead lists several approved Minnesota ethanol and biodiesel producers, but no Minnesota RNG producers.² The Company's overall point, that it would be possible for the Company to find Minnesota RNG supply for the Pilot, is accurate. There is currently at least one RNG producer within the State of Minnesota, and the Company is aware of several other RNG projects in development.

¹ *In the Matter of a Petition by CenterPoint Energy to Introduce a Renewable Natural Gas Pilot Program*, Docket No. G-008/M-18-547, Reply Comments (Mar. 1, 2019).

² California Air Resources Board, LCFS Pathway Certified Carbon Intensities, <https://www.arb.ca.gov/fuels/lcfs/fuelpathways/pathwaytable.htm> (last visited Mar. 19, 2019).

Please feel free to contact me at 612-321-4334 or erica.larson@centerpointenergy.com with any questions.

Sincerely,

/s/ Erica Larson

Regulatory Analyst

C: Service List

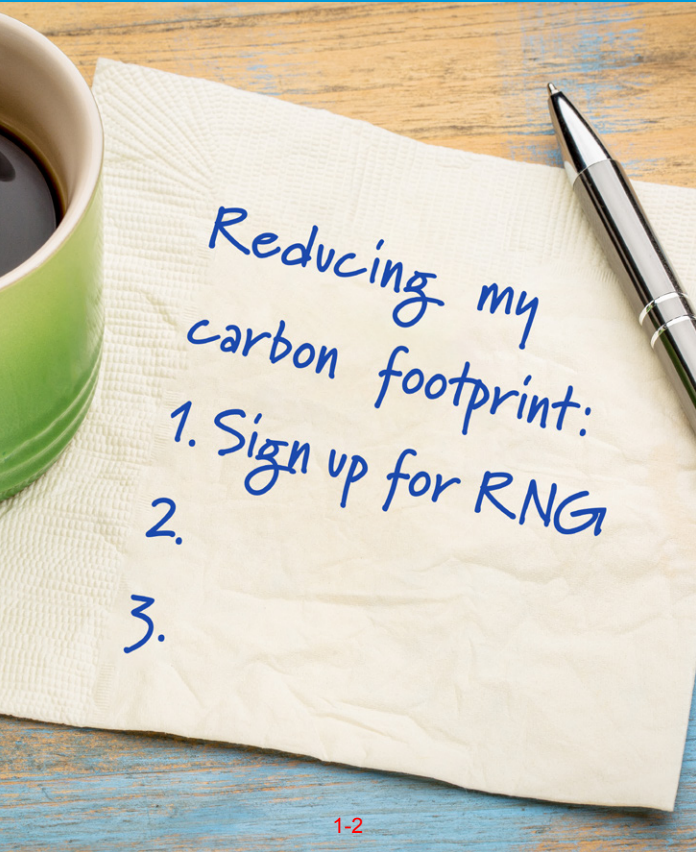
Attachment 1: Draft Bill Insert

Offering

YOU

Renewable Natural Gas

Heat your home, not your planet. Sign up today!



Reducing my
carbon footprint:

1. Sign up for RNG
- 2.
- 3.

CenterPoint Energy is committed to supporting a sustainable energy future and we are excited to offer a Renewable Natural Gas (RNG) program to our customers.

RNG, also called green gas or bio gas, is created from the methane produced by the organic materials in farms, landfills and waste water treatment facilities. This program will give our customers another way to use more renewable energy.

Using RNG instead of geologically-sourced natural gas results in a 40 to 100 percent or greater decrease in greenhouse gas emissions, depending on the source.



Sign up information and enrollment details

Sign up today! Customers enrolling will begin receiving RNG in January 2020. Upon enrollment, you will be able to specify how much you'd like to pay per month for RNG and CenterPoint Energy will buy as much RNG as possible for the specified amount. Your cost will never go higher than the amount you've specified.

Enrolled customers can continue to use the current natural gas appliances in their homes or businesses with no modifications necessary and will notice no difference in the operation of natural gas equipment.

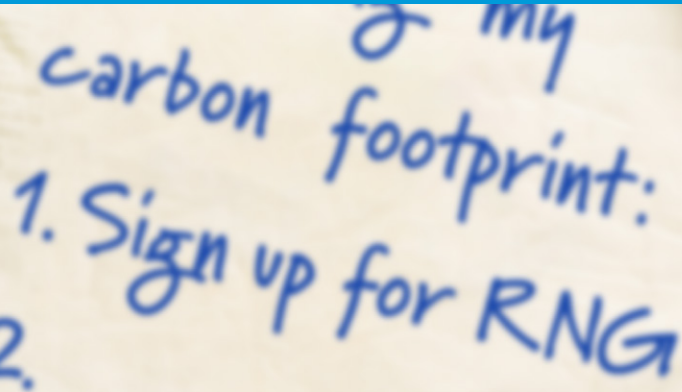


The choice is yours

Select your monthly RNG purchase amount:

- \$5.00/mo. - Enough to dry my clothes
- \$9.00/mo. - Enough to cook my food
- \$19.00/mo. - Enough to warm my showers

Choose your own amount (must be at least \$1.00). Sign up now and help us create a more sustainable future.



For more information, or to enroll in the Renewable Natural Gas Program, visit: CenterPointEnergy.com/RNG



ALWAYS THERE.®

Attachment 2: Draft Enrollment Webpage

My Account

Residential

Business

Our Company

Search

Q

Service Area : Minnesota

Change

Sign In | Register

SERVICES

CUSTOMER SERVICE

SAFETY

SAVE ENERGY & MONEY

IN YOUR COMMUNITY

Renewable Natural Gas Enrollment Form

We are dedicated to bringing renewable energy options to fit your budget and energy goals. Sign up today and start making a difference!

*Indicates a required field.

First Name *

Last Name *

Email Address

Address *

Apt. Number

City *

Zip Code *

Phone Number *

Account Number *

Select your monthly RNG purchase amount.

\$5.00/month - To dry my clothes.

\$9.00/month - To cook my food.

\$19.00/month - To heat water for my shower.

Other amount (must be at least \$1/month)

To learn more about how much gas your subscription will purchase, [click here](#).

How did you hear about this program?

☒ I agree to the terms and conditions. An overview of program terms is available [here](#). The legalese is [here](#).

Submit

Reset

Based on average residential customer usage. Your use may be different than average. CenterPoint Energy does not guarantee that your selected subscription amount will be equivalent to the use of the specified natural gas appliance in your home. Renewable natural gas intermingles with other natural gas in CenterPoint Energy's distribution system and cannot be directed to a specific home or appliance within a home.

Services

Natural Gas

Home Service Plus

Customer Service

Billing & Payment

Manage Your Account

New Customer

Start, Stop, Transfer Service

Reporting

Contact Us

Safety

Natural Gas Safety

Natural Gas Leaks

Carbon Monoxide

Call Before You Dig

Meter Safety

Pipeline Safety

Emergencies

Save Energy & Money

Efficiency Programs & Rebates

Analyze Your Energy Use

Building & Remodeling Information

Energy Efficient Appliances

Efficiency Resources and Tips

In Your Community

What's Going On In Your Region

Construction Projects

Giving Back

Environmental Responsibility

Local News

Media Center

Convert to Natural Gas

Safety Education

Contact Us

612-372-4727

800-245-2377

Email Us

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Attachment 3: Revised Draft Tariff Pages

VOLUNTARY RENEWABLE NATURAL GAS PURCHASE (RNG PILOT) RIDER

Purpose

The purpose of this Voluntary Renewable Natural Gas (RNG) Purchase Rider (Rider) is to allow customers to purchase all or a portion of the natural gas they use from renewable sources through the Company's RNG Pilot program. Amounts recovered by the Rider are used to pay for the commodity cost of renewable natural gas, including environmental attributes, and renewable natural gas program administrative and marketing expenses.

Availability

This Rider shall be available to all of CenterPoint Energy's Minnesota customers taking sales service that are not in arrears of any utility payments owed to CenterPoint Energy. This Rider exists pursuant to CenterPoint Energy's five-year RNG Pilot program, which will conclude on _____. Prior to the conclusion of the RNG Pilot program, the Company will submit a proposal to the Minnesota Public Utilities Commission (Commission), either requesting to continue the program or a modified program after _____ or proposing a plan for discontinuing the RNG Pilot offering.

Definitions

Conventional Gas Purchase: The amount billed to the customer, in a particular month, for conventional natural gas.

RNG Purchase Quantity: The amount of RNG sold to the customer in a particular month in therms.

RNG Maximum Purchase: A maximum monthly purchase of RNG, specified by the customer as a dollar amount.

RNG Price: _____ per therm.

RNG Pilot Purchase: The amount billed to the customer in a particular month for RNG.

Rider

Customers who choose to participate in the RNG Pilot program will designate their RNG Maximum Purchase. The RNG Purchase Quantity will equal the RNG Maximum Purchase divided by the RNG Price, or the customer's actual metered natural gas usage, whichever is less.

Each month, the RNG Pilot program will add an amount to participating customers' bills under the "Cost of Gas" heading as "Voluntary Renewable Gas Purchase." The RNG Pilot Purchase will equal the RNG Purchase Quantity multiplied by the RNG Price.

The customer's Conventional Natural Gas Purchase in a month will equal the customer's actual metered natural gas usage less the RNG Purchase Quantity multiplied by the per therm price of conventional natural gas as determined for the customer based on sales service tariff pages, Section V pages 1 through 7, and the Purchased Gas Adjustment Rider, Section V, page 22. The Conventional Gas Purchase will be shown under the "Cost of Gas" heading.

The RNG Pilot Purchase is not subject to the Purchase Gas Adjustment Rider, but is subject to any other applicable adjustments and surcharges, including city surcharge or sales tax. Demand charges and delivery margin will be charged per therm of RNG sold under this Rider. Accordingly, the total amount charged for demand charges and delivery margin will be unaffected by program participation.

VOLUNTARY RENEWABLE NATURAL GAS PURCHASE (RNG PILOT) RIDER (continued)**Use of Revenues and Revenue and Expense Tracking**

At least ninety percent of RNG Pilot Purchase revenues will be used to offset the commodity cost the Company pays for renewable natural gas supply, including environmental attributes. Up to ten percent of revenues collected through customers' RNG Pilot Purchases may be used to offset RNG Pilot program marketing and administrative expenses.

The Company will maintain an accounting of the monthly balance of total RNG Pilot Purchase revenues and expenses associated with offering the RNG Pilot program, including RNG purchases and administrative and marketing expenses. The Company may petition the Commission to annually adjust the RNG Price depending on the cumulative balance of revenues received and expenses incurred.

Renewable Natural Gas Purchase

The Company will purchase at least one therm of renewable natural gas for its distribution system for every _____ of revenue received through this Rider. Due to variability of renewable resources, the Company may have an excess or shortage of renewable supply in any given month, but supply will approximately balance out over the course of a year. RNG may be purchased by the Company at any point during the calendar year in which the revenue is received, within six months prior to the start of that calendar year, or the three months following that calendar year.

Terms and Conditions

1. A customer must select an RNG Maximum Purchase Amount at the time of subscription. The minimum RNG Maximum Purchase Amount will be \$1 and the RNG Maximum Purchase Amount must be a whole dollar amount.
2. There is no minimum subscription period for residential customers. The minimum subscription period for commercial or industrial customers is one RNG Pilot program year. The time of subscription is the first day of the first billing cycle in which the customer receives RNG Pilot program charges. RNG Pilot program years extend from July 1 to the following June 30, except for the first year which will extend from _____ to _____. In the event that a commercial or industrial customer subscribes to the RNG Pilot program in the middle of a program year, that customer's minimum subscription period will run through the remainder of the RNG Pilot program year in which the customer subscribed and continue through the following RNG Pilot program year. Residential customers may terminate their subscriptions with 30-days notice. Following the minimum subscription period, commercial and industrial customers may continue to subscribe on a year-to-year basis and may terminate their subscription with 30-days notice prior to the end of a RNG Pilot program year.
3. The Company will submit annual program evaluations to the Commission each September 15, or as otherwise ordered in relation to RNG Pilot program operation and accounting.
4. CenterPoint Energy may, in its discretion, allow customers a limited subscription to this Rider for an event or series of events without requiring customers to make a purchase commitment for the minimum subscription period described above.
5. The sales arrangements of renewable natural gas from the RNG Pilot program supplies are such that the renewable natural gas supply is sold only once to retail customers.

The Company will remove participants from the program for delinquency. The Company will consider a customer to be delinquent, for this purpose, if the customer misses two or more monthly bill payments.

PURCHASED GAS ADJUSTMENT RIDER

Purchased Gas Adjustment (PGA)

In the event there is a change in the delivered cost of gas purchased that will result in a billing rate change that exceeds .3 ¢ per Therm, to be sold under CenterPoint Energy's gas service rate schedule(s), there shall be added to or deducted from the monthly bill computed thereunder the product of the monthly consumption and the amount per Therm to the nearest 0.001¢ by which the average annual purchased gas cost per Therm at the new rate is more or less than the "base gas cost" which is the cost of purchased gas established in CenterPoint Energy's latest company rate filing by rate class, expressed as a cost per Therm.

In the event CenterPoint Energy finds it necessary to supplement the supply of natural gas by means of peak shaving, an amount per Therm shall be added to or deducted from the Gas Cost Reconciliation factor applied to firm gas service sales. This peak shaving amount shall be determined by dividing the difference between the peak shaving costs for the current twelve (12) month period ending June 30, and the peak shaving costs for the base period used for establishing the rate schedules to which this rider applies, by the total Therm sales to firm gas service customers for the current twelve (12) month period (adjusted to reflect normal temperature). To the extent peak shaving is used to serve dual fuel customers, an appropriate adjustment will be made.

Cost of Gas by Component

- a) Annual demand unit cost is defined as annual demand costs less Large General Service demand costs divided by annual demand sales volumes net of Large Volume General Service sales. Annual demand sales volume is calculated pursuant to MPUC Rule 7825.2400.
- b) Large General Service demand unit cost is defined as annual demand costs divided by the firm peak day usage used to calculate the base demand unit cost for the Test Year. This amount is then divided by 12 to arrive at the monthly per unit billing demand rate.
- c) Commodity Unit Cost is defined as the system commodity related costs forecasted to be incurred during the next month for forecasted sales for the same month.

Annual Gas Cost Reconciliation:

For each twelve (12) month period ending June 30, an annual cost reconciliation by cost component will be determined based upon actual annual gas costs incurred by CenterPoint Energy compared with annual gas costs recovered from volumes of gas sold. The annual cost recovered by cost component is the product of the total unit rate used in calculating the PGAs during the twelve (12) month period and the applicable gas sales volumes identified as conventional natural gas sales volumes on customer bills during the period when each of the total unit rates were in effect. The difference between actual cost and recovered cost for each component will be used in calculating a Gas Cost Reconciliation (GCR) factor for each rate schedule. The GCR factor will be applied to customers' billings on September 1 and will be in effect for a twelve (12) month period.

Refund Procedure:

Refunds and interest on the refunds that are received from the suppliers or transporters of purchased gas and attributable to the cost of gas previously sold, will be annually refunded by credits to bills, except that cumulative refund amounts equal to or greater than \$5.00 per customer must be refunded within ninety (90) days from the date the refund is received from a supplier or transporter. Refunds will be allocated to customer classes in proportion to previously charged costs of purchased gas. Within classes, the refund amount per unit will be applied to bills on the basis of individual twelve (12) month usage. CenterPoint Energy will add interest to the un-refunded balance at the prime interest rate.

PURCHASED GAS ADJUSTMENT RIDER (continued)**Interaction with Voluntary Renewable Natural Gas Purchase (RNG Pilot) Rider, Section V, Page 12:**

Commodity Unit Cost as defined above may include renewable natural gas commodity-related costs forecasted to be incurred for purchases in excess of forecasted voluntary program sales. The amount of per unit renewable natural gas commodity cost included in Commodity Unit Cost may be no more than the non-renewable natural gas weighted average cost of gas for the current month.

Date Filed: ~~August 12, 2005~~ March 25, 2019

Effective Date: _____

Docket No: G-008/~~GR-04-904~~ M-18-547Issued by: ~~Phillip R. Hammond - V.P., Supply Management, Regulatory Services and Government Relations~~ Amber Lee, Director, Regulatory Affairs

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)
)
COUNTY OF HENNEPIN)

Erica R. Larson, being first duly sworn on oath, deposes and says that she is an employee in the office of CenterPoint Energy, Minneapolis, Minnesota 55402, and that on the 25th day of March 2019, she delivered the enclosed notice of filing to those individuals and agencies listed on the attached pages, by:

 x placing such notice in envelopes, properly addressed with postage paid, and depositing the same in the United States Mail at Minneapolis, Minnesota, for delivery by the United States Post Office,

 personal service,

 express mail,

 delivery service,

 x electronic filing.

_____/s/ Erica R. Larson
Erica R. Larson

Subscribed and sworn to before me
this 25th day of March 2019.

_____/s/ Melodee Sue Carlson Chang
Melodee Sue Carlson Chang
Notary Public (Commission Expires January 31, 2024)

[illegible]

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Nick	Mark	nick.mark@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_18-547_M-18-547
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Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-547_M-18-547
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Peggy	Sorum	peggy.sorum@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-547_M-18-547

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_18-547_M-18-547