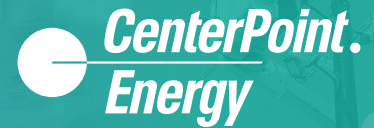


Southwestern Indiana electric rate case



Since 2011, CenterPoint Energy's total electric bill has only increased an average of 0.5% per year, which is well below the rate of inflation.

CenterPoint seeks to recover costs to provide safe, reliable service and requests first base rate case in more than 14 years.

On Dec. 5, 2023, CenterPoint filed a request with the Indiana Utility Regulatory Commission (IURC) for recovery of investments made within our southwestern Indiana electric service territory for its 150,000 customers.

The total requested increase, which directly results from the base rate case filing, of **\$118.8 million** is expected to impact customer bills no sooner than the fourth quarter of **2024**. To prevent the increase from impacting customers all at once, CenterPoint has proposed a phased approach. If approved, a typical residential customer would experience an estimated increase of **\$10.07 (6.5%)** in late **2024**, an additional **\$5.85 (3.6%)** in early **2025**, and finally **\$12.46 (7.3%)** in early **2026** due to the request in the rate case. Once all phases are implemented including the full cost of service, which includes projects that would be recovered through current billing mechanisms, the expected total monthly bill will be approximately **\$200**, based on average residential consumption of **799 kilowatt hours**.

State law allows energy companies to prepare and submit forward-looking capital investment plans with gradual cost recovery for which the IURC has ultimate approval rights and oversight authority.

The filing undergoes a comprehensive review by the IURC which may take a number of months to complete and will include a public hearing as part of the regulatory process. Should the plan be approved as filed, customers will see rates phased in through the first quarter of 2026, with no increases until late 2024. This filing has no impact on natural gas rates.

This filing request to increase base rates is the first CenterPoint has filed in more than 14 years and covers the ongoing cost to maintain and enhance reliability and resiliency, manage life-cycle assets from aging equipment, and modernize the grid for customer benefit, while striving to safely deliver service. The filing includes cost recovery for:



Modernizing our grid

For the past seven years, CenterPoint has been improving the grid in southwestern Indiana through many infrastructure upgrade projects. This program requires the utilities to seek rate recovery for the remaining 20% not yet supported by customers.

We have taken advantage of advanced technology by installing about 159,000 smart meters to help strengthen our electrical grid reliability. Our customers are also able to better manage their energy usage and costs with more accurate bills.



Practicing environmental sustainability

We continue to work on projects needed to comply with federally mandated environmental requirements, such as the F.B. Culley West Ash Pond removal. This portion of the case will recover the remaining investments made due to a federal mandate on behalf of customers.

We also offer large industrial customers the option to opt-in to our Green Energy Rider. Through this program, a customer's power is generated from locally sourced renewable generation helping them meet sustainable and renewable energy goals.



Expanding our generation portfolio

CenterPoint's long-term generation portfolio transition will meet growing demand to provide cleaner energy for our region while maintaining the reliability our customers deserve and have come to expect. The transition is consistent with the previous public integrated resource plans and is modeled to be the lowest cost solution for our customers. Here's how we are making this possible:

- Adding two natural gas combustion turbines to continue to reduce our emissions and maintain our focus on the environment while providing our customers a cost-effective option for delivering safe and reliable energy.
- Our Posey County 191 MW solar array build generates enough power to meet the needs of more than 35,000 households per year and helps large customers achieve their individual sustainability goals.
- The unprecedented securitization of our A.B. Brown coal plant is projected to decrease customers' electric bills by an estimated \$53 million versus traditional rate making.



Providing energy and money-saving programs

Through our new pilot program, Critical Peak Pricing, we are testing Time of Rate usage with our customers. Customers have varied rates based on peak and non-peak hours and are encouraged to lower their electricity usage during peak hours to help with cost-savings on their energy bills.