

# CUSTOMER NOTICE

Pursuant to Texas Utilities Code Section 104.301, on March 30, 2017, CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas (the “Company”) filed its annual Gas Reliability Infrastructure Program (“GRIP”) interim rate adjustment with the Railroad Commission of Texas (“Commission”) and with the cities in the Company’s South Texas Division, proposed to become effective May 29, 2017. This annual GRIP adjustment will apply to all standard sales service customers served by the Company in the following cities and unincorporated areas comprising the Company’s South Texas Division:

Agua Dulce, Alice, Aransas Pass, Austin, Banquete, Bastrop, Beeville, Bishop, Blessing, Bloomington, Bruni, Buda, Campbellton, Cibolo, Converse, D’Hanis, Driscoll, Eagle Lake, Edna, Edroy, El Campo, Elgin, Falls City, Floresville, Freer, Ganado, Garden Ridge, Giddings, Goliad, Gregory, Hallettsville, Hebbronville, Hondo, Inez, Ingleside, Ingleside on the Bay, Jourdanton, Karnes City, Kenedy,

Kingsville, Kyle, LaCoste, La Grange, Laredo, Lolita, Louise, Marion, Mathis, McQueeney, Mirando City, New Braunfels, Niederwald, Nordheim, Odem, Oilton, Orange Grove, Palacios, Pettus, Placedo, Pleasanton, Point Comfort, Port Lavaca, Portland, Poteet, Poth, Premont, Refugio, Runge, San Diego, San Marcos, Sandy Oaks, Schertz, Schulenberg, Seadrift, Seguin, Selma, Sinton, Skidmore, Smithville, Taft, Tuleta, Universal City, Vanderbilt, Victoria, Weimar and Yorktown.

Pursuant to the Commission’s rules, this annual GRIP rate adjustment is designed to recover the incremental costs related to the capital investments the Company has made in its South Texas Division natural gas distribution system during the 2016 calendar year. Those costs are incremental to and not included in the rates currently in effect for the South Texas Division. CenterPoint proposes the following changes to rates:

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Rate Schedules	Current Customer Charge	Proposed 2017 Interim Adjustment	Proposed Customer Charge	Increase to each bill
R-2085-GRIP 2017 Residential	\$21.20 per customer per month	\$2.04 per customer per month	\$23.24 per customer per month	\$2.04 per customer per month
GSS-2085-GRIP 2017 General Service Small	\$34.74 per customer per month	\$4.13 per customer per month	\$38.87 per customer per month	\$4.13 per customer per month
GSLV-616-GRIP 2017 General Service Large Volume	\$188.15 per customer per month	\$25.06 per customer per month	\$213.21 per customer per month	\$25.06 per customer per month

Persons with questions or who want more information about this filing may contact the Company at 800-427-7142. A copy of the filing will be posted at the following website: **CenterPointEnergy.com/southtexasgrip** and will be available for inspection during normal business hours at the Company's office located at 1111 Louisiana, Houston, Texas 77002. In addition, any affected person may file written comments or a protest concerning the proposed annual GRIP adjustment with the Gas Services Division, Market Oversight Section, Railroad Commission of Texas, P.O. Box 12967, Austin, Texas 78711-2967.

