CENTERPOINT ENERGY RESOURCES CORP. D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS BEAUMONT/EAST TEXAS DIVISION RATE SHEET AD VALOREM TRUE-UP RATE SCHEDULE NO. AVT-1

APPLICATION OF SCHEDULE

The Ad Valorem True-Up ("Ad Valorem") rate as set forth below reconciles the estimated ad valorem taxes recovered through GRIP for the time-period 2013-2018 with the actual ad valorem taxes paid during that time-period, including interest per the customer deposit rate. The Ad Valorem rate identified in this rate schedule shall apply to all standard rate customers of CenterPoint Energy Texas Gas Beaumont/East Texas Division. The standard rate customers are defined as the residential, general service-small, and general service-large volume customers of the Beaumont/East Texas Division.

AD VALOREM TRUE-UP RATE

The percentage of under-collection to be allocated to standard rate class customers is 96.898965% distributed as a one-time charge as set forth below:

Residential \$0.67 per bill General Service-Small \$1.08 per bill General Service-Large \$5.26 per bill

EFFECTIVE DATES

Ad Valorem Rider to be effective beginning on or after November 1, 2020.

This rate will be in effect until all approved and expended ad valorem taxes are recovered under the applicable rate schedules. This Rider does not limit the legal rights and duties of the Cities and is subject to all applicable laws and orders and the Company's rules and regulations on file with the regulatory authority.

This rate will be in effect until all approved ad valorem taxes are recovered from the applicable customer classes as documented in the compliance filing on the Ad Valorem True-Up for GUD 10920. This tariff expires upon collection of \$136,793.

Any over-recovery associated with this surcharge shall be returned to customers through the Purchased Gas Adjustment (PGA) tariff.

COMPLIANCE

The Company will file a report on February 1, 2021 with the Railroad Commission of Texas ("Commission"), addressed to the Director of Oversight and Safety Division, Gas Services Dept. referencing GUD No. 10920. The report shall detail the amount recovered by month and the outstanding balance by month.

Reports for the Commission should be filed electronically at GUD_Compliance@rrc.texas.gov or at the following address:

Compliance Filings Director of Oversight and Safety Division Gas Services Department Railroad Commission of Texas P.O. Box 12967 Austin, Texas 78711-2967