

Get Ready for Winter Frequently Asked Questions (FAQs)

What is happening to the energy market?

The cost of all types of fuels, including gasoline, oil and electricity is escalating, which impacts the price of consumer goods such as food and clothing. Wholesale natural gas prices are expected to be significantly higher this winter than last assuming normal weather conditions. We could still see changes in prices, both up and down, in the months ahead.

How much higher will my bill be?

CenterPoint Energy forecasts that a typical residential customer will see a total bill that is significantly higher than last year's, perhaps as much as 45 percent. This means a customer who had an average winter bill last year of \$100 will likely see an average winter bill of \$145 in the coming year, assuming normal weather conditions.

Why is my bill so high?

There are three things that will impact a customer's bill:

- The amount of gas used. Customers typically use natural gas to heat their homes, heat their water, dry clothes and cook. Other appliances that use natural gas include pool heaters, fireplace logs and gas lights.
- Weather. Colder weather will cause your furnace to use more gas to heat your home. Costs to run furnaces typically account for the majority of your bill in colder weather.
- The cost of natural gas. The wholesale cost of natural gas that CenterPoint Energy pays is passed on directly to customers. As wholesale prices rise, the charge on your bill increases to allow CenterPoint Energy to recover the cost of the gas. Wholesale natural gas prices are expected to be higher this winter. If they are, customer bills may be significantly higher assuming normal or colder than average weather conditions.

How can I tell if one of these things has impacted my bill?

If you think that your bills are higher than they should be, you can check your bills for the following:

- Gas usage – See if your usage is higher than the previous month. If it is, this could account for the higher bill. Usage information is located below your service address on the bill.
- Average daily gas use. If your average daily use was greater during the current billing period than during the same period last year, your bill will be higher. This information is located directly above the bill pay stub.
- The average daily temperature – If the average temperature was lower during the current billing period than during the same period last year, your bill will be higher. This information is located directly above the bill pay stub.

- The number of days in the billing period - The more days in a billing period, the higher the bill. This information is located in the “Your Gas Usage” section of the bill.

What are the different charges on my bill?

There are two main components to a customer’s bill. One is the part that goes to CenterPoint Energy to cover the company’s costs to deliver the natural gas to customers through its distribution system. That amounts to about 20-30% of a customer’s bill and is regulated by the regulatory bodies in the states in which we operate. The other 70-80% is the price CNP pays its suppliers for natural gas, which changes periodically based on market conditions. CNP passes that cost directly to customers with no mark-up.

Does CenterPoint Energy benefit from the higher natural gas prices?

No. CenterPoint Energy makes its money solely from the physical delivery of natural gas to our customers’ homes and businesses, not from higher wholesale natural gas prices. CenterPoint Energy bills customers for the actual cost we incur for the gas with no mark-up.

How can I manage my bills?

The best way to manage your natural gas bill is to conserve energy. Even simple, inexpensive efforts can reduce usage and lower your bills. These tips can help you manage your energy consumption and bills:

- Change or clean furnace filters monthly
- Turn down your thermostats
- Turn down your heater settings
- Keep drapes and blinds open on sunny days to warm the house
- Stop energy-wasting drafts and air leaks with caulking and weather stripping

Use CenterPoint Energy’s convenient Gas Emissions and Cost Calculator to see how changing usage habits, such as reducing the length of showers and number of loads of laundry, can lower your bills. To access the Gas Cost Calculator, go to CenterPointEnergy.com/gasisbetter.

What else can I do?

You can avoid high bill peaks in the winter by enrolling in CenterPoint Energy’s levelized billing program, which spreads your natural gas costs more evenly throughout the year. The Average Monthly Billing program is available in the South and Budget Plan is offered in the North.

To enroll, go to [CenterPoint Energy.com/selfservice](http://CenterPointEnergy.com/selfservice), select your region and then click on Register Now. Once registered, you can opt to take advantage of one or all of CenterPoint Energy’s account services including Average Monthly Billing/Budget Plan.

What should I do if I am having trouble paying my bills?

If you think you will have trouble paying your natural gas bill, you should call CenterPoint Energy right away. The company works with customers on a case-by-case basis to develop payment plans.

In addition, energy assistance programs may be available to help qualified customers pay bills. For information on how to seek financial assistance, you can visit CenterPointEnergy.com and click the “Residential” on the blue Natural Gas tab, select your region, choose Customer Service, and click Payment Assistance. To find more information on assistance programs that provide grants to low-income, disabled customers or senior citizens, you can visit the U.S. Department of Health and Human Services’ LIHEAP (Low Income Home Energy Assistance Program) Web site at acf.hhs.gov/programs/ocs/liheap/.

Is there another fuel that is cheaper than natural gas?

Even when gas prices go up, in most cases natural gas continues to be the best energy value for home heating, water heating, cooking and clothes drying when compared to other fuels, such as electricity, propane, or heating oil. According to the U.S. Department of Energy, electricity is more than twice the cost of natural gas in most areas of the country. Customers can compare the operating costs of natural gas and electric appliances by using our convenient operating cost calculator at CenterPointEnergy.com/gasisbetter.