

New natural gas distribution rates approved

What you need to know

In August 2017, CenterPoint Energy asked the Minnesota Public Utilities Commission (MPUC) to change its rates for utility distribution service.

- The filing, known as a rate case, sought to increase the Company's annual revenues by \$56.5 million or about 6.4 percent.
- The MPUC approved an annual revenue increase of approximately \$3.9 million, or 0.5 percent.
- The settlement agreement makes decoupling a permanent part of the tariff, incorporates the impact of a decrease in federal income tax rates and amortization of Excess Deferred Income Taxes (EDIT) balances (approximately \$20 million), and establishes tracker recovery mechanisms that account for approximately \$13.3 million in the initial filing.
- The monthly Basic Charge for residential customers remain at \$9.50, and the per therm Delivery Charge increases from \$0.20648 to \$0.21036.
- The effect on an average residential customer's bill (who uses approximately 890 therms in a year) is an increase of about \$0.27 per month, or \$3 per year. Bills also vary because the wholesale cost of natural gas changes each month.
- Rate changes will affect individual monthly bills differently depending on the amount of natural gas used and the customer's rate class.

Refunds on interim rates

State law allowed the Company to collect interim (temporary) rates while the MPUC considered its rate case.

- The Company began collecting annual interim rates of \$47.8 million, on October 1, 2017.
- Since the final rate increase of \$3.9 million is less than the interim rate increase, the Company will refund the difference, with interest, as well as other adjustments beginning in November 2018 bills.
- The primary driver for the difference in proposed and final rates is due to tax reform and returning the difference to customers as part of final rates.
- A typical residential customer's refund is approximately \$38.

Learn more, visit [CenterPointEnergy.com/RateCase](https://www.CenterPointEnergy.com/RateCase) or 800-245-2377.

To learn how you can save energy and money, visit [CenterPointEnergy.com/SaveEnergy](https://www.CenterPointEnergy.com/SaveEnergy).

Notice for customers: To make sure the Company can send customers any refund owed, please ask them to provide a forwarding address if they stop service. If customers move before a refund is issued and we cannot find them, their refund may be treated as abandoned property and sent to the Minnesota Department of Commerce, Unclaimed Property Unit. Customers can check for unclaimed property at [MissingMoney.com](https://www.MissingMoney.com).

