



FAQs

South Texas Tax Reform Filing

What filings did CenterPoint Energy make?

- On November 14, 2019, CenterPoint Energy (“CNP”) filed with the Texas Railroad Commission and its municipal regulatory authorities a rate reduction filing in its South Texas Division in order to pass on to customers benefits associated with the Tax Cuts and Jobs Act of 2017 (the “TCJA”) that impacted deferred taxes due to the reduction of the federal corporate income tax rate from 35% to 21%. This filing was made pursuant to the Settlement Agreement in GUD No. 10669.

What authorized the reduction in the federal corporate income tax rate?

- On December 22, 2017, the TCJA was signed into law. The TCJA reduced the federal corporate income tax rate from 35% to 21%.

How does the TCJA affect a customer’s gas bill?

- The TCJA refund will be reflected in a customer’s bill as follows:
 - As a monthly refund over the average rate assumption method (“ARAM”). Customers will see a separate line item on their bill called Tax Refund. This refund will begin with bills rendered on or after March 1, 2020.

How much of a Tax Refund will each customer receive?

- In the first year, customers will see a Tax Refund on their monthly bill of approximately \$0.33 for residential, \$0.66 for general service-small, and \$4.11 for general service-large volume.