



## **Texas GRIP Filing (Natural Gas)** *Houston, Texas Coast, South Texas and Beaumont/East Texas geographic rate areas*

### **Who is CenterPoint Energy?**

- CenterPoint Energy provides natural gas distribution service to approximately 4.4 million residential, commercial and industrial customers in the states of Indiana, Louisiana, Minnesota, Mississippi, Ohio and Texas. CenterPoint Energy serves approximately 1.9 million customers in its Houston, Texas Coast, South Texas and Beaumont/East Texas geographic rate areas that will be impacted by this filing.

### **What is a Gas Reliability Infrastructure Program (GRIP) filing?**

- An interim rate adjustment authorized by Texas Statute (Texas Utilities Code §104.301) that allows natural gas utilities to recover costs related to net incremental safety and reliability investments made since the utility's previous rate case, and during the time in between full rate cases being filed.

### **Who can make GRIP filings?**

- A natural gas utility with newly invested capital not already included in an existing rate base can make an initial GRIP filing but only if the natural gas utility has filed a rate case within the preceding two years.

### **When was CenterPoint Energy's most recent rate case?**

- CenterPoint Energy filed its last natural gas rate case for the Houston, Texas Coast, South Texas and Beaumont/East Texas geographic rate areas on Oct. 30, 2023, and the final decision was rendered on June 25, 2024 (Gas Utilities Docket ("GUD") No. OS-23-00015513).

### **When was the company's most recent GRIP filing?**

- CenterPoint Energy made its first GRIP filing since its last rate case for the Houston, Texas Coast, South Texas and Beaumont/East Texas geographic rate areas on Feb. 18, 2025.

### **How is the adjustment amount calculated?**

- The GRIP interim adjustment is intended to capture the cost of net incremental investment over that investment included in the last rate case, or since the most recent GRIP filing.
- Costs included are return on that investment, depreciation expense, and certain taxes. Factors used to calculate costs must be the same as those reflected in the final order, ordinance or settlement agreement approving current rates.

**What is required of the utility?**

- The new tariff or rate schedule must be filed with the appropriate regulatory authority (City and/or Railroad Commission of Texas) 60 days before the proposed implementation date.
- Notice to all affected customers must be provided within 45 days of filing with the regulatory authority.
- In each annual GRIP filing, the utility must provide the following information:
  - Annual Project Reports describing all new investments and retired plants.
  - The need for, the cost of, and the customers benefitted by the new investment.
  - An annual earnings monitoring report showing earnings in the past year.
- The adjustment must be recalculated annually.

**What investment projects from October 2023 through December 2024 are included in the most recent GRIP filing and how do these projects benefit the communities CenterPoint Energy serves?**

Some examples of investments made from October 2023 through December 2024 included in this filing are:

- Investment to replace approximately 300 miles of natural gas pipe across Texas, as part of our system modernization program.
- Capacity and reliability improvements across the company’s natural gas footprint in Texas as a result of customer growth.
  - CenterPoint added approximately 51,500 new customers across the state from October 2023 through December 2024.
  - Continued installation of the new Intelis meters, with approximately 175,000 of these meters placed into service in Texas.
  - These innovative meters have integrated safety features, e.g., an internal shutoff valve that automatically activates if excessive natural gas flow or high temperatures are detected.
  - The meter’s state-of-the-art ultrasonic metrology also allows for unparalleled natural gas usage measurement accuracy for natural gas customers.

**What is the role of the regulatory authority?**

- Within 60 days after the filing, the regulatory authority may suspend implementation of the proposed adjustment for up to 45 days.
- Once the interim increase in rates has been reviewed as part of a full rate case, the regulatory authority may order CenterPoint Energy to refund any amounts collected if the investment is found to be unnecessary or imprudent.
- The regulatory authority may open an inquiry under Texas Utilities Code §104.151 and set new rates if the current rates are found to be unreasonable.

**Customers in what cities will be affected by the company’s filing?**

- This filing is for the Houston, Texas Coast, South Texas and Beaumont/East Texas geographic rate areas including the environs customers. The company is filing with the cities below:

Houston	Texas Coast	Texas Coast (cont'd)
Bunker Hill Village	Alvin	Manvel
Conroe	Angleton	Mont Belvieu

Deer Park	Baytown	Morgan's Point
Hedwig Village	Beach City	Needville
Hilshire Village	Beasley	Orchard
Houston	Brookshire	Oyster Creek
Humble	Brookside Village	Pearland
Hunters Creek Village	Clute	Richmond
Jersey Village	Dickinson	Rosenberg
Magnolia	East Bernard	Santa Fe
Meadows Place	Freeport	Seabrook
Missouri City	Friendswood	Shoreacres
Nassau Bay	Fulshear	Simonton
Oak Ridge North	Iowa Colony	Sugar Land
Pasadena	Katy	Taylor Lake Village
Piney Point Village	Kemah	Texas City
Shenandoah	Kendleton	Wallis
Spring Valley Village	La Marque	Webster
Stafford	La Porte	West Columbia
Tomball	Lake Jackson	Wharton
Woodbranch Village	League City	

<b>South Texas</b>	<b>South Texas (cont'd)</b>	<b>Beaumont/East Texas</b>	<b>Beaumont/East Texas (cont'd)</b>
Agua Dulce	Kyle	Anahuac	Mount Pleasant
Alice	La Grange	Arp	Nederland
Aransas Pass	LaCoste	Atlanta	New London
Austin	Laredo	Beaumont	North Cleveland
Bastrop	Marion	Beckville	Orange
Bishop	Mathis	Bloomburg	Ore City
Buda	Niederwald	Bridge City	Overton
Cibolo	Odem	Clarksville City	Pittsburg
Driscoll	Orange Grove	De Kalb	Port Arthur
Edna	Point Comfort	Edgewood	Red Lick
Elgin	Port Lavaca	Fruitvale	Riverside
Falls City	Portland	Gladewater	Rose Hill Acres
Freer	Premont	Goodrich	Rusk
Ganado	Refugio	Grand Saline	Silsbee
Garden Ridge	Runge	Huntsville	Sour Lake
Giddings	Schulenburg	Jacksonville	Tatum
Gregory	Seadrift	Kilgore	Tyler

Hondo	Taft	Liberty	Union Grove
Ingleside	Universal City	Lindale	Waskom
Ingleside on the Bay	Victoria	Linden	White Oak
Jourdanton	Yorktown	Lone Star	Winfield
Karnes City		Longview	Winnsboro
Kingsville		Marshall	

- At the time of this filing, the cities below have given up original jurisdiction. These cities will be included as part of the natural gas rate filing made with the Railroad Commission of Texas:

<b>Houston</b>	<b>Texas Coast</b>	<b>South Texas</b>	<b>South Texas (cont'd)</b>
Bellaire	Arcola	Beeville	Poth
Cut and Shoot	Clear Lake Shores	Converse	San Diego
Galena Park	Danbury	Eagle Lake	San Marcos
Jacinto City	El Lago	El Campo	Sandy Oaks
Montgomery	Hillcrest Village	Floresville	Santa Clara
New Waverly	Hitchcock	Goliad	Schertz
Panorama Village	Jones Creek	Hallettsville	Seguin
Roman Forest	Liverpool	Kenedy	Selma
South Houston	Pleak	New Braunfels	Sinton
Southside Place	Richwood	Nordheim	Smithville
West University Place	Weston Lakes	Palacios	Uhland
Willis		Pleasanton	Weimar
		Poteet	
<b>Beaumont/East Texas</b>	<b>Beaumont/East Texas (cont'd)</b>	<b>Beaumont/East Texas (cont'd)</b>	<b>Beaumont/East Texas (cont'd)</b>
Ames	East Mountain	Leary	Rose City
Avinger	Elkhart	Livingston	San Augustine
Bevil Oaks	Gilmer	Lovelady	Scottsville
Big Sandy	Grapeland	Lufkin	Shepherd
Bullard	Groveton	Lumberton	Talco
Carthage	Hallsville	Maud	Tenaha
Center	Hawkins	Mineola	Timpson
China	Henderson	Mount Vernon	Trinity
Cleveland	Hideaway	Nacogdoches	Troup
Colmesneil	Hooks	Naples	Uncertain
Corrigan	Hudson	New Boston	Van
Crockett	Hughes Springs	Nooday	Vidor

Daingerfield	Jasper	Omaha	Warren City
Dayton	Jefferson	Pine Forest	West Orange
Diboll	Kirbyville	Pinehurst	Whitehouse
Douglassville	Latexo	Queen City	Wills Point

- The filing with the Railroad Commission of Texas will include the unincorporated areas below:

<b>Houston</b>	<b>Texas Coast</b>	<b>South Texas</b>	<b>Beaumont/East Texas</b>
New Caney	Bacliff	Banquete	Beauxart Gardens
Porter	Barrett	Blessing	Bronson
Spring	Boling	Bloomington	Buna
The Woodlands Township	Channel Area	Bruni	Central
	Columbia Lakes	D'Hanis	Cheek
	Crosby	Edroy	De Berry
	Damon	Hebbronville	Dodge
	Glen Flora	Inez	Eastham Farm
	Highlands	Lolita	Ellis Ferguson Farm
	Hungerford	Louise	Elysian Fields
	Iago	McQueeney	Evadale
	New Gulf	Mirando City	Fuller Springs
	Old Ocean	Oilton	Jonesville
	Pecan Grove	Pettus	Leggett
	Rosharon	Placedo	Mauriceville
	San Leon	Skidmore	McLeod
	Sienna Plantation	Tuleta	Neches
	Teal Run	Vanderbilt	New Willard
	Van Vleck		Orangefield
			Price
			Redland
			Saratoga
			Stowell
			Swan
			Sylvan-Harmony
			Victory Gardens
			Winnie

**What customers are affected and how?**

- The total increase of \$70,712,002 has been allocated among customer groups in the same manner as the current rates established in GUD No. OS-23-00015513. The proposed effective date is April 19, 2025. Once it goes into effect, the GRIP interim rate adjustment will increase the customer charge that is applicable to customers served under the indicated sales service rate schedules within the Houston, Texas Coast, South Texas and Beaumont/East Texas geographic rate areas as follows:

**TABLE 1 - Houston and Texas Coast geographic rate areas**

<b>Rate Schedule</b>	<b>Current Customer Charge</b>	<b>Proposed 2025 Interim Rate Adjustment</b>	<b>Adjusted Charge</b>	<b>Increase Per Bill</b>
R-2099-I-GRIP 2025; R-2099-U-GRIP 2025 Residential	\$19.50 per customer per month	\$2.88 per customer per month	\$22.38 per customer per month	\$2.88 per customer per month
GSS-2099-I-GRIP 2025; GSS-2099-U-GRIP 2025 General Service Small	\$30.00 per customer per month	\$5.14 per customer per month	\$35.14 per customer per month	\$5.14 per customer per month
GSLV-630-I-GRIP 2025; GSLV-630-U-GRIP 2025 General Service Large Volume	\$390.00 per customer per month	\$61.20 per customer per month	\$451.20 per customer per month	\$61.20 per customer per month

**TABLE 2 – South Texas and Beaumont/East Texas geographic rate areas**

<b>Rate Schedule</b>	<b>Current Customer Charge</b>	<b>Proposed 2025 Interim Rate Adjustment</b>	<b>Adjusted Charge</b>	<b>Increase Per Bill</b>
R-2099-I-GRIP 2025; R-2099-U-GRIP 2025 Residential	\$25.00 per customer per month	\$2.88 per customer per month	\$27.88 per customer per month	\$2.88 per customer per month
GSS-2099-I-GRIP 2025; GSS-2099-U-GRIP 2025 General Service Small	\$48.00 per customer per month	\$5.14 per customer per month	\$53.14 per customer per month	\$5.14 per customer per month
GSLV-630-I-GRIP 2025; GSLV-630-U-GRIP 2025 General Service Large Volume	\$230.00 per customer per month	\$61.20 per customer per month	\$291.20 per customer per month	\$61.20 per customer per month