

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 4.1 million residential, commercial and industrial customers in the states of Indiana, Minnesota, Ohio and Texas. CenterPoint Energy serves approximately 2 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 second GRIP filing since its last rate case for the Houston, Texas Coast, South Texas and Beaumont/East Texas geographic rate areas on Feb. 17, 2026.

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 benefited by the new investment.
 - An annual earnings monitoring report showing earnings in the past year.
- The adjustment must be recalculated annually.

What investment projects in 2025 are included in the most recent GRIP filing and how do these projects benefit the communities CenterPoint Energy serves?

Some examples of investments made in 2025 included in this filing are:

- Investment to replace approximately 193 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 Energy added approximately 30,500 new customers across the state in 2025.
 - Continued installation of the new Intelis meters, with approximately 153,500 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 which 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	

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

Ingleside on the Bay	Victoria	Lindale	White Oak
Jourdanton	Yorktown	Linden	Winfield
Karnes City		Lone Star	Winnsboro
Kingsville		Longview	
Kyle		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:

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

Dayton	Kirbyville	Pinehurst	Wills Point
Diboll	Latexo	Queen City	
Douglassville	Leary	Rose City	
East Mountain	Livingston	San Augustine	

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

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

What customers are affected and how?

- The total increase of \$61,544,418 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 18, 2026. 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

Rate Schedule	Current Customer Charge	Proposed 2026 Interim Rate Adjustment	Adjusted Charge	Increase Per Bill
R-2099-I-GRIP 2026; R-2099-U-GRIP 2026 Residential	\$22.36 per customer per month	\$2.47 per customer per month	\$24.83 per customer per month	\$2.47 per customer per month
GSS-2099-I-GRIP 2026; GSS-2099-U-GRIP 2026 General Service Small	\$35.12 per customer per month	\$4.18 per customer per month	\$39.30 per customer per month	\$4.18 per customer per month
GSLV-630-I-GRIP 2026; GSLV-630-U-GRIP 2026 General Service Large Volume	\$450.89 per customer per month	\$55.23 per customer per month	\$506.12 per customer per month	\$55.23 per customer per month

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

Rate Schedule	Current Customer Charge	Proposed 2026 Interim Rate Adjustment	Adjusted Charge	Increase Per Bill
R-2099-I-GRIP 2026; R-2099-U-GRIP 2026 Residential	\$27.86 per customer per month	\$2.47 per customer per month	\$30.33 per customer per month	\$2.47 per customer per month
GSS-2099-I-GRIP 2026; GSS-2099-U-GRIP 2026 General Service Small	\$53.12 per customer per month	\$4.18 per customer per month	\$57.30 per customer per month	\$4.18 per customer per month
GSLV-630-I-GRIP 2026; GSLV-630-U-GRIP 2026 General Service Large Volume	\$290.89 per customer per month	\$55.23 per customer per month	\$346.12 per customer per month	\$55.23 per customer per month