

# 2021 rate case fact sheet



## *New rates requested by CenterPoint Energy in Minnesota*

### QUICK FACTS

- Revenue increase request: \$671 million annually, or 6.5%
- Increase for typical residential customer: \$4.05 per month
- Proposed interim rates for all customers effective: January 1, 2022
- Rate stabilization plan proposed to resolve rate case and limit impact on customers' bills
- Approval required by Minnesota Public Utilities Commission

### THE NEED

- More revenue is needed to meet federal regulations and invest in continued safety and reliability of our 14,000-mile pipeline system serving 890,000 Minnesota residential and business customers.
- Since 2013, we have invested more than \$1.7 billion in our Minnesota system, and we expect to invest an additional \$1 billion over the next 5 years.
- Current rates do not provide adequate revenue to cover rising costs.
- Proposal is not related to Feb. 2021 natural gas price spike or current market prices.

### CUSTOMER IMPACT

- Typical residential customer bill would increase by about \$4.05 per month. (Typical residential customer currently pays about \$68 per month.)
- Monthly Basic Charge for most customers would increase from \$9.50 to \$11.
- Delivery Charge would increase from \$0.21036 to \$0.24101 per therm. (A therm is the heating value of gas.)

### *Quick facts*

#### **November 1, 2021**

CenterPoint Energy files rate case, as well as rate stabilization plan, with Public Utilities Commission

#### **Late 2021**

Formal hearing at the Public Utilities Commission to review and make decision on rate stabilization plan

New rates implemented on Jan. 1, 2022 (if approved by Commission)

#### ***If rate stabilization plan is not approved***

#### **January 1, 2022**

Interim rates begin

#### **During 2022**

Public hearings for customers and others to comment on the rate request

Formal hearings at the Public Utilities Commission

#### **Early 2023**

Final decision by Public Utilities Commission expected

Final, approved rates implemented

#### **FOR MORE INFORMATION** **CenterPointEnergy.com/** **RateCase**

*Continued ...*



*As part of the Metro Belt Line Project, CenterPoint Energy is replacing more than 60 miles of aging, large-diameter pipeline in the Twin Cities area.*

## INTERIM RATES

- While rate case is pending, Public Utilities Commission may allow us to collect a temporary, higher rate. The requested interim rate increase is about 5.1%. It would take effect on Jan. 1, 2022, and would remain in place until a final decision is made.
- If final rates are lower than interim rates, we would refund customers the difference, including interest. If final rates are higher than interim rates, customers would not be charged the difference.

## RATE STABILIZATION PLAN

- CenterPoint Energy filed a rate stabilization plan at the same time as the rate case, with a lower requested rate increase.
- Revenue increase of \$39.7 million, or 3.9%. Increase of \$2.83 per month for typical residential customer.
- Proposal limits bill impact on customers and still provides adequate revenue to invest in safety and reliability of Minnesota system.
- It avoids time-consuming regulatory process while achieving reasonable outcome for both customers and the utility.
- Proposal also includes lowering the monthly surcharge for Feb. 2021 natural gas costs by extending cost recovery period from 27 months to 63 months. Average surcharge would decline from \$11.66 to \$4.60 per month.
- Public Utilities Commission is asked to review and approve rate stabilization plan by end of 2021, allowing new rates to take effect on Jan. 1, 2022.