



GET THE FACTS

Providing our southwest Indiana customers with accurate information concerning our natural gas and electric businesses. For more information, visit [CenterPointEnergy.com/EnergyForIndiana](https://www.CenterPointEnergy.com/EnergyForIndiana).

CLAIM:

The Indiana Utility Regulatory Commission (IURC) approved a higher amount than CenterPoint Energy Indiana South (CEI South) requested in its Indiana South natural gas base rate review.

FACT:

The IURC did not approve more than CEI South requested to recover.

CEI South's initial request was to recover \$28.5 million, however the settlement between the parties and approved by the IURC lowered that amount to \$20.5 million.

- CEI South implemented new base rates for its natural gas utility service for the first time in 14 years toward the end of 2021. These charges for distributing natural gas to customers using pipelines and other facilities are listed on the bill as "Distribution and Service Charges" which includes both a fixed Service Charge and volumetric Distribution Charges. The increase results from significant investments by CEI South, leading to cost savings in the long term and complying with federal pipeline safety rules.
- In the settlement, CEI South's fixed rate charge for residential customers moved from the proposed \$35 to \$16.50 per month, which resulted in an increase to the volumetric Distribution Charges on customers' bills whereby that portion of the bill is more dependent on the amount of natural gas used.

CLAIM:

Since 2007, CEI South has charged the highest residential electricity rates in Indiana. Keeping outdated coal-fired generation plants profitable and compliant is expensive – not only are southern Indiana ratepayers paying for the **\$500 million bill** through their electric rates, but those plants are being shuttered starting in 2023.

FACT:

CEI South conducts a review of its generation portfolio regularly and these reviews consistently confirmed that customer rates were kept as low as possible, while considering risk and reliability, by continuing to operate our existing coal resources through at least 2023. The time has come to retire much of our coal-fired generation to avoid incremental capital investment

Below is a comparison of annual residential bills for a typical natural gas customer using 655 therms per year. An individual customer's usage may vary, depending on occupancy, the energy efficiency of the home and customer behaviors, which can impact a customer's bill based on volumetric recovery.

- The Gas Cost Charge (GCA) is based on customer usage. The quantity of gas utilized by the customer and the changing market cost of natural gas impact the GCA. CEI South charges customers exactly the same price it pays for the natural gas. CEI South does not earn any money on the natural gas delivered to customers.

CEI South Gas Typical Residential Customer Bill using 655 therms per year

	Pre Rate Case	Post Rate Case	\$ Change	% Change
	12 Months ending Oct 2021	12 Months ending Oct 2022		
Average use per customer (therms)	655	655		
Total Bill	\$647.56	\$1,004.04	\$356.48	55%

Breakdown between Gas Cost and Non-Gas Costs:

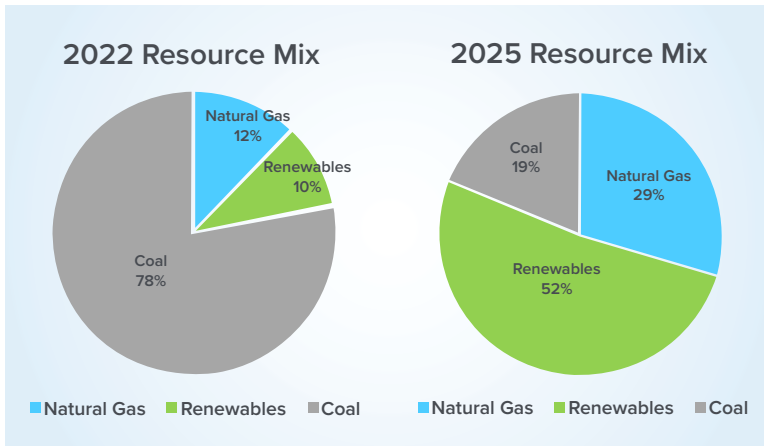
Total Gas Costs	\$229.23	\$429.54	\$200.32	87%
Total Non-Gas Costs	\$418.33	\$574.50	\$156.17	37%

Itemized breakdown of Total Bill:

Service Charge	\$132.00	\$198.00	\$66.00	50%
Distribution Chg First 50 Therms	\$60.69	\$225.42	\$164.73	271%
Distribution Chg > 50 Therms	\$36.51	\$135.42	\$98.91	271%
GCA	\$229.23	\$429.54	\$200.32	87%
PSA	\$ -	\$ -	\$ -	
CSIA	\$167.97	\$0.57	\$(167.40)	-100%
TSCR	\$ -	\$(6.48)	\$(6.48)	
USF	\$2.64	\$1.18	\$(1.46)	-55%
EEFC Component (EER)	\$9.35	\$10.51	\$1.16	12%
SRC Component (EER)	\$9.17	\$9.87	\$0.70	8%

required to comply with new environmental regulations. Our most recent analysis shows that retiring some of the coal-fired generation, paying off the remaining investment in this generation over time and investing in a both renewable generation and natural gas combustion turbines will reduce our emissions and maintain our focus on the environment while providing our customers a cost-effective option for delivering safe and reliable energy. CEI South's preferred generation portfolio is projected to include nearly two-thirds of energy generated from renewable resources that are expected to lower carbon emissions by nearly 75% from 2005 levels.

CEI South plans to generate and deliver **safe, reliable electricity** for its Indiana South customers, saving more than \$320 million through a forecast spanning 20 years when compared to current coal generation.



CLAIM:

Southwest Indiana customers are paying for Winter Storm Uri's costs related to Texas infrastructure. Ratepayers in other states where CenterPoint Energy does business are not paying this "surcharge".

FACT:

Indiana South natural gas customers are not paying for infrastructure or natural gas costs associated with the Texas utility.

Customers in all 6 states in CenterPoint Energy's service territories are paying for Storm Uri-related costs incurred to serve customers in these states. Only the costs required to serve each state are being recovered from customers in those states. Just as Indiana customers are paying only for the cost of gas delivered in Indiana, Texas customers are paying only for the costs of gas delivered to Texas. Our gas costs are reviewed by the Indiana Utility Regulatory Commission and the Indiana Office of Utility Consumer Counselor to ensure the costs recovered through the GCA are proper and only for serving Indiana customers. All customers within CenterPoint Energy's six-state footprint are paying for costs associated with Winter Storm Uri and the cost of natural gas incurred in each jurisdiction.

CLAIM:

CenterPoint Energy's billing is overly complicated yet does not provide enough information. Because the company does not provide itemized bills,

it's hard to compare rates to those of other utilities and to estimate the impact of reducing energy usage. It also makes it easy for CenterPoint to hide fees and increases.

FACT:

While CenterPoint Energy does not currently itemize its customer bills, the current bill is compliant with IURC requirements. Customers can contact CenterPoint Energy with questions regarding their bill or service, including requesting an itemized breakdown of the charges included on the bill, by calling Customer Service between 7 a.m. and 7 p.m. ET, Monday through Friday, at 800-227-1376.

CenterPoint Energy is working on additional measures to assist customers and enhance the customer experience, **including providing additional detail to customer bills in the future.** The Call Center has implemented a virtual hold/call back system to allow customers to hold their place in the call queue without having to hold and customer service will call back.

To pay your bill quickly and efficiently, CenterPoint has an online self-service option at CenterPointEnergy.com/IndianaBilling.

CLAIM:

There is not enough emphasis on weatherization programs for customers to help reduce their energy usage over the long term.

FACT:

CenterPoint Energy offers a home weatherization program to assist its income-eligible customers. Customers who receive benefits from SNAP, LIHEAP, WIC, welfare, and/or Section 8 are automatically eligible for this program. CenterPoint Energy customers can have a combination of natural gas and electric or solely electric with their primary heating fuel being electricity. Customers' homes must be more than five years old and have not participated in an assessment in the last three years.

As part of the assessment, an energy efficiency technician will perform a walkthrough to understand how your home and appliances use energy, and you may even receive energy-saving products on the spot! Upon completion of the assessment, the technician will give you a personalized report with an action plan for additional energy-saving efforts for your home.

Additionally, all customers are eligible to order free and low-cost home energy efficiency products like weatherstripping on the company's new energy efficiency marketplace. For more information on our weatherization program and other energy efficiency options, visit CenterPointEnergy.com/SmartSavings.

We truly believe in enhancing energy efficiency and educating our customers about the best way to produce savings, and we are actively working to expand our current programs.

