

ARKANSAS PUBLIC SERVICE COMMISSION

Original

Sheet No. 4-10.1/3

Replacing:

Sheet No.

CenterPoint Energy Resources Corp.

d/b/a CenterPoint Energy Arkansas Gas

(Name of Company)

Kind of Service: Natural Gas

Class of Service: All

PART IV – Rider Schedule No. 10

Title: TAX CUTS AND JOBS ACT RIDER (RIDER TCJA)

PSC File Mark Only

10. TAX CUTS AND JOBS ACT RIDER (RIDER TCJA)

10.1 PURPOSE

10.1.1 The purpose of this rider is to provide customers with certain tax benefits associated with the Tax Cuts and Jobs Act of 2017 (TCJA). The TCJA reduced the maximum corporate income tax rate from 35 percent to 21 percent beginning January 1, 2018. Rider TCJA returns to customers the estimated Unprotected Excess Accumulated Deferred Income Tax (ADIT) amounts not subject to the normalization provision of the Internal Revenue Code.

10.2 APPLICATION

10.2.1 Rider TCJA applies to all gas service provided under any rate schedule, whether metered or unmetered, subject to the jurisdiction of the Arkansas Public Service Commission.

10.2.2 The monthly base rate components, which include the Customer Charge, Distribution Rate, Demand Distribution Charge, Contract Administration Fee for transportation supply option customers, and Weather Normalization Adjustment, will be reduced by the percentage rates on Attachment A of Rider TCJA. These percentage rates shall initially become effective with the bills rendered on October 1, 2018. Monthly billing for the Residential (RS-1), Small Commercial Firm Sales Service (SCS-1), Small Commercial Firm Sales Service-Off Peak (SCS-2), Small Commercial Firm Sales Service-NGV (SCS-3) and Large Commercial Firm Service (LCS-1) classes shall remain in effect for five months through the bills rendered on February 28, 2019.

10.2.3 Monthly credits shall appear as a line item on the bill titled, "Tax Cuts & Jobs Act Credit."

10.3 REDETERMINATION

10.3.1 As a result of the Company's 2017 income tax return filing, the estimate of Unprotected Excess ADIT will be known. If the actual amount of Unprotected Excess ADIT in the Company's 2017 income tax return filing is greater than (+/-) ten percent of the estimated amount of (\$19,216,631), Rider TCJA rates will be recalculated on or before December 1, 2018 by rate class and remain in effect through the February 2019 billing period.

ARKANSAS PUBLIC SERVICE COMMISSION

Original

Sheet No. 4-10.2/3

Replacing:

Sheet No.

CenterPoint Energy Resources Corp.

d/b/a CenterPoint Energy Arkansas Gas

(Name of Company)

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Class of Service: All

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10.4 TRUE-UP

10.4.1 Subsequent to rendering the bills on February 28, 2019, the over- or under- returned amounts will be calculated based on the actual 2017 income tax return and the actual amounts returned to customers during the five-month period. In March 2019, the Company will file in this docket the actual amounts over- or under- returned by rate class. Any over- or under- returned Unprotected Excess ADIT would then either be included in the Company's semi-annual Gas Supply Rate Rider filing made by March 31, 2019, for its sales customers or will be calculated and flowed through Rider TCJA on a per-customer basis as a charge or credit for the Company's transportation supply option customers. Rider TCJA will expire once the final charge or credit to the transportation supply option customers has been completed.

10.5 ADDITIONAL INFORMATION

10.5.1 If the Internal Revenue Service issues new guidance or the Company acquires new information requiring the Company to revise the balances of Protected Excess ADIT or Unprotected Excess ADIT as a result of the TCJA, the Company reserves the right to make additional filings to recognize such adjustments.

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First Revised Sheet No. 4-10.3/3
Replacing: Original Sheet No. 4-10.3/3
CenterPoint Energy Resources Corp.
d/b/a CenterPoint Energy Arkansas Gas
(Name of Company)
Kind of Service: Natural Gas Class of Service: All
PART IV – Rider Schedule No. 10
Title: TAX CUTS AND JOBS ACT RIDER (RIDER TCJA)

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Tax Cuts and Jobs Act Rider – Attachment A

The monthly base rate components, which include the Customer Charge, Distribution Rate, Demand Distribution Charge, Contract Administration Fee for transportation supply option customers, and Weather Normalization Adjustment, will be reduced by the percentage rates below:

<u>Rate Class</u>	<u>Rate Schedules</u>	<u>TCJA % Credit</u>
Residential Firm Sales Service	RS-1	-18.32%
Small Commercial Firm Sales Service	SCS-1	-20.03%
Small Commercial Firm Sales Service-Off Peak	SCS-2	-414.15%
Small Commercial Firm Sales Service-NGV	SCS-3	-17.42%
Large Commercial Firm Service	LCS-1	-22.46%