TAX CUTS AND JOBS ACT RIDER
RIDER TCJA

1.1. PURPOSE
1.1.1. 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.

1.2. APPLICATION
1.2.1. The rates associated with the TCJA will be calculated in accordance with Appendix 1.

1.2.2. The Unprotected Excess ADIT will be amortized over three years and allocated to the customer classes based on the currently approved allocation factors per Rate Regulation Adjustment (“RRA”) Schedule 3.10. The allocated amounts by class shall be divided by the customer count billing determinants to calculate a monthly per bill credit.

1.2.3. Monthly credits shall appear as a line item on the bill titled, “Tax reform refund”.

1.3. TRUE-UP
1.3.1. As a result of the Company’s 2017 income tax return filing, the estimate of Unprotected Excess ADIT will be known. Each subsequent TCJA application will include a true-up of the actual Unprotected Excess ADIT and the amounts refunded to customers.
1.3.2. Upon completion of the three-year amortization period, 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 three-year period. In January 2022 (or earlier), the Company will file the actual amounts over- or under- returned by rate class. Any over- or under- returned Unprotected Excess ADIT will then either be included in the Company’s semi-annual Gas Cost Adjustment filing 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 MT-6 transportation supply option customers. Rider TCJA will expire once the final charge or credit to the transportation supply option customers has been completed.

1.3.3. 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 or any other tax change, the Company reserves the right to make additional filings to recognize such adjustments.

1.4. FILING PROCEDURES

On or before November 15 for all test-years, during the term of Rider TCJA, the Company shall file with the MPSC, in the MPSC-prescribed format (See Attached Appendix 1): the original and three copies of its TCJA calculation; supporting schedules and workpapers that may be warranted under this Rider. The Company shall simultaneously submit four copies of such documentation to the Staff. Unless disputed by the Staff, rates per Appendix 1 will become effective with billing on and after December 1. If the Staff disputes the calculation of the TCJA, or any component thereof, the Staff shall notify the Company on or before November 29.

1.5. APPLICABLE RATE SCHEDULES

Residential Natural Gas Service (Rate Schedule 68)
Commercial Natural Gas Service (Rate Schedule 69)
Multi-Unit High-Rise Condominium Service (Rate Schedule 70)
Large Volume Natural Gas Service (Rate Schedule 49)
Natural Gas Transportation Service (Rate Schedule MT-6)
### CenterPoint Energy Resources Corp.

**Mississippi Public Service Commission**

**CONTINUATION OF SCHEDULE**  
**Rider TCJA**  
**REVISED SHEET 3 of 3 SHEETS**

### MISSISSIPPI GAS

**(Rate Area to Which Schedule is Applicable)**

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**APPENDIX I**

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<table>
<thead>
<tr>
<th>Line No</th>
<th>Description</th>
<th>Residential Rate Schedule 68</th>
<th>Commercial Rate Schedule 69</th>
<th>Multi-Unit High Riser Rate Schedule 70</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Approved 2018 RRA Plan Revenue Allocation</td>
<td>70.42%</td>
<td>19.21%</td>
<td>0.00%</td>
<td>10.37%</td>
</tr>
<tr>
<td>2</td>
<td># of Bills</td>
<td>1,411,013</td>
<td>147,580</td>
<td></td>
<td>6,802</td>
</tr>
<tr>
<td>3</td>
<td>Unprotected Excess Deferred Income Tax Amortization (Line 1 * Line 3, Column F)</td>
<td>$357,960</td>
<td>$97,849</td>
<td>$</td>
<td>$52,713</td>
</tr>
<tr>
<td>4</td>
<td>True-up for Previous Year - Unprotected Excess Deferred Income Tax Amortization</td>
<td>$2,918</td>
<td>(2,503)</td>
<td>-</td>
<td>(7,248)</td>
</tr>
<tr>
<td>5</td>
<td>Total Unprotected Excess Deferred Income Tax (Line 3 * Line 4)</td>
<td>$360,878</td>
<td>$95,146</td>
<td>-</td>
<td>$45,466</td>
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<tr>
<td>6</td>
<td>Unprotected Credit (Line 5 / Line 2)</td>
<td>$0.26</td>
<td>$0.64</td>
<td>-</td>
<td>$6.68</td>
</tr>
</tbody>
</table>

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**Issued by**  
Christe H. Singleton  
Vice President  
525 Milam St., 14th Fl  
Shreveport, LA 71101  
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**Date Effective**  
**Date Approved**  
**Authority No.**