

**CenterPoint Energy Resources Corp.**

(Name of Utility Organization or Other Serving Agency)

**MISSISSIPPI GAS**

(Rate Area to Which Schedule is Applicable)

TYPE UTILITY SERVICE **Gas**

(Electric, Gas, Telephone, Water, Sewer)

CLASS OF SERVICE **Large Volume**

(Residential, Commercial, Industrial, Rural)

(This space for statement of availability, character of service, rate, minimum charge, terms of payment, special conditions, and minimum contract period pertinent to the application of this particular rate schedule)

P. S. C. SCHEDULE NUMBER **RIDER SG**

REVISED NO. 10

DATE ISSUED  
October 1, 2024

SUPERCEDES  
SCHEDULE NO. RIDER SGR  
Revised No. 9

DATE ISSUED  
September 5, 2024

SCHEDULE CONSISTS OF **6 SHEETS**

SUPPLEMENTAL GROWTH RIDER

**RIDER SG**

**1. APPLICATION**

1.1 This Rider (“Rider SG”) shall apply to all capital expenditures projected or incurred by the Mississippi Division of CenterPoint Energy Resources Corp. (hereinafter “Company”) under the General Provisions stated herein.

**2. PURPOSE**

2.1 Rider SG is designed to encourage industrial development and job creation by providing an incentive for the Company to extend gas service to industrial projects which are not otherwise feasible for the Company to fund.

**3. SUMMARY**

3.1 The Company may invest up to \$5,000,000 for economic development in incremental funds above its normal capital budget annually in Mississippi without prior Mississippi Public Service Commission (hereinafter “Commission”) approval to extend gas service for industrial projects not otherwise economically feasible for the Company to fund. The Company shall be allowed to earn a Supplemental Return on Equity on the rate base associated with such projects. Capital investments and related expenses eligible for recovery would be filed and recovered under a separate, exact recovery rider. The Company may invest in excess of \$5,000,000 annually in such projects, but only with advance approval by the Commission. The Mississippi Public Utilities Staff (hereinafter “Staff”) will consider such requests on an expedited basis. Upon approval, the Company will undertake construction of the project on a timely basis and include the actual or projected capital expenditure in its next Rider SG filing.

01629475

Issued by:  
John Murphy

(Name)

VP Louisiana and  
Mississippi Gas

(Title)

300 Executive Boulevard  
Byram, MS 39272

(Address)

Date Effective

Date Approved

Authority No.

The amount to be invested on any one project pursuant to Rider SG shall not exceed the total investment required to extend service to such project less the economically feasible portion of the investment as calculated by the Company under its Gas Facility Extension Policy on file with the Commission.

The authorized Return on Equity (hereinafter "ROE") for Rider SG projects commenced before January 1, 2017 shall be 12.00% for a 10-year period. The authorized ROE for Rider SG projects commenced on or after January 1, 2017 shall be at the Company's then current Allowed Return (hereinafter "AR") pursuant to the terms of the Company's Rate Regulation Adjustment Rider (hereinafter "RRA") or any other Return as allowed by the Commission's 2017 Order in Docket No. 2013-UN-214.

**4. GENERAL PROVISIONS**

- 4.1 Projects selected for supplemental investment will be identified and selected by the Company in consultation with the Mississippi Development Authority (hereinafter "MDA"), the Commission, and the Staff. Projects will be selected based upon their potential for economic development.
- 4.2 Rider SG investments commenced before January 1, 2017 shall earn a ROE equal to 12.00% for a 10-year period. The Commission, the Staff, or the Company may petition to change the return on future Rider SG investments; however, once established, the return for a vintage year of investments may not be changed. Moreover, Rider SG investments and related expenses shall be excluded from any rate case filed during the 10-year period. At the end of the 10-year period, the investments and related expenses for the first vintage year of Rider SG investments shall be recovered through the Company's RRA or successor formula rate plan then in effect at the then current authorized return on equity. Thereafter, each year another vintage year of investments shall be transferred out of the Rider SG and into the RRA Plan or successor formula rate plan then in effect for future recovery. Rider SG investments commenced on or after January 1, 2017 shall earn a return equal to the current AR per the Company's current RRA Plan or successor formula rate plan. Once that current AR is established for that project, it shall remain the AR for that particular project for a ten-year period, and thereafter treated in the same

01629475

Issued by:  
John Murphy

(Name)

VP Louisiana and  
Mississippi Gas

(Title)

300 Executive Boulevard  
Byram, MS 39272

(Address)

Date Effective

Date Approved

Authority No.

manner as 12.00% return on equity projects have historically been treated under Rider SG.

- 4.3 A Rider SG revenue requirement and proposed new rate shall be calculated and filed annually on May 1. Billing of the new Rider SG Rate shall be effective with the billings beginning on or after July 1. Any actual project revenues generated from the Rider SG investment over the prior 12 months shall be used to offset the Rider SG revenue requirement.
- 4.4 The Rider SG rate base shall consist of plant, accumulated depreciation, accumulated deferred income taxes, and regulatory asset/liability related to excess deferred income taxes. The rate base shall include projected costs for the current calendar year plus the historical costs of previous investments.
- 4.5 Expenses included in the revenue requirement shall include actual and projected depreciation expenses, property taxes, interest expense, cost of equity, income taxes, and municipal franchise fees, if applicable.
- 4.6 The Rider SG revenue requirement filed on May 1, 2014, shall be calculated using Sheet 5 of this Rider SG. The Rider SG revenue requirement filed on May 1 in subsequent years shall be calculated using Sheet 6 of this Rider SG, and a true-up will be calculated based on the actual revenue requirement for the previous period and the actual collections made pursuant to Rider SG. Any over or under-recovery shall be refunded or collected in the new rate period.
- 4.7 The capital structure used shall be the same as filed in the Company's annual RRA Plan or successor formula rate plan then in effect. For true-up purposes, the capital structure used to calculate the actual revenue requirements shall be the same as previously used in the projected filing.
- 4.8 The Company will use a composite depreciation rate, derived from the Company's most recently completed depreciation study and adjusted to remove General Plant.
- 4.9 The Rider SG filing shall be made separate from but concurrent with the Company's RRA Plan or successor formula rate plan filing and will include all support and documentation necessary to evaluate each of the previous year's projects, including, but not limited to a description of each

01629475

Issued by:  
John Murphy

(Name)

VP Louisiana and  
Mississippi Gas

(Title)

300 Executive Boulevard  
Byram, MS 39272

(Address)

Date Effective

Date Approved

Authority No.

**MISSISSIPPI GAS**

(Rate Area to Which Schedule is Applicable)

project (its genesis, scope, potential customers, economic impact, MDA evaluation, etc.).

- 4.10 The Rider SG revenues shall be collected by a surcharge to customers' base rate charges. The revenue requirement shall be allocated to the applicable customer classes using each class' percent contribution to the Test Year non-gas revenues as recorded in the Company's annual RRA Plan or successor formula rate plan calculations. The class revenue requirement shall then be divided by the class' average number of Test Year customers to determine the per customer surcharge. The per customer surcharges shall then be divided by twelve to determine the monthly per customer surcharge applied to customers' bills.
- 4.11 If no RRA Plan or successor annual formula rate plan is in effect at the end of a 10-year period, then the existing rates will remain in effect until modified by subsequent Commission order.

**5. TERM**

- 5.1 Rider SG shall continue to be effective beyond the original five-year pilot program initially approved in Docket 2013-UN-214. At its discretion, the Commission may discontinue this rider at any time. However, should Rider SG be discontinued, it will continue to operate after cancellation until all eligible costs are recovered in accordance herewith.

01629475

Issued by:  
John Murphy

(Name)

VP Louisiana and  
Mississippi Gas

(Title)

300 Executive Boulevard  
Byram, MS 39272

(Address)

Date Effective

Date Approved

Authority No.

**CenterPoint Energy Resources Corp.**

(Name of Utility Organization or Other Serving Agency)

**MISSISSIPPI GAS**

(Rate Area to Which Schedule is Applicable)

Mississippi  
Public Service Commission

**CONTINUATION OF SCHEDULE Rider SG**

ORIGINAL SHEET 5 of 6 SHEETS

**CenterPoint Energy  
Mississippi Division  
Supplemental Growth Rider Revenue Requirement  
For the Test Year Ended December 31, 2023**

Line No.	(A) Description	(B) FERC Account	(C) Prior Year	(D) Current Year	(E) Increase / (Decrease)	Source
<b>PLANT IN SERVICE:</b>						
1	Gross Investment	101 *, 106	\$ 6,652,992	\$ 6,652,992	\$ -	1.5
2	Accumulated Depreciation	108 *, 111 *	(1,494,504)	(1,711,392)	(216,888)	1.5
3	Accumulated Deferred Income Tax	190, 282, 283	(717,500)	(704,342)	13,158	1.7
4	Regulatory Asset/(Liability) (EDIT)	182.3, 254	(523,205)	(513,671)	9,534	1.8
5	Net Investment		<u>\$ 3,917,783</u>	<u>\$ 3,723,587</u>	<u>\$ (194,196)</u>	
6	Authorized Return on Capital	TBD	8.2039%	8.3884%	0.1845%	1.1
7	Return on Net Investment		\$ 321,411	\$ 312,349	\$ (9,062)	
8	Depreciation Expenses	403-407, 870-932	216,888	216,888	-	1.5
9	Associated Taxes	408.1, 409.1, 410.1	138,292	143,541	5,249	1.2, 1.4
10	Municipal Franchise Fees		-	-	-	
11	Prior Period Project Revenues - Input as Negative Number		-	-	-	
12	Prior Year True-Up		<u>(430,006)</u>	<u>(483,399)</u>	<u>(53,393)</u>	1.11
13	Total Revenue Requirements		<u>\$ 245,585</u>	<u>\$ 189,379</u>	<u>\$ (57,206)</u>	
14	Revenue Requirement Excluding Prior Year True-Up			<u>\$ 672,778</u>		

\*Per FERC Chart of Accounts, FERC accounts 300-399 are summarized to FERC account 101, 108, 111.  
No new accounts may be added to this schedule unless approved in advance by the MPSC.

APPENDIX 1

01629475

Issued by:  
John Murphy

(Name)

VP Louisiana and  
Mississippi Gas

(Title)

300 Executive Boulevard  
Byram, MS 39272

(Address)

Date Effective

Date Approved

Authority No.

**CenterPoint Energy Resources Corp.**

(Name of Utility Organization or Other Serving Agency)

**MISSISSIPPI GAS**

(Rate Area to Which Schedule is Applicable)

**CONTINUATION OF SCHEDULE Rider SG**

ORIGINAL SHEET 6 of 6 SHEETS

CenterPoint Energy  
Mississippi Division  
Calculation of SGR Plan - Increases for Tariff  
For the Test Year Ended December 31, 2023

Line No.	[A]	[B]	[C]	[D]	[E]	[F] = [B] + [C] + [D] + [E]	Source
		Residential Rate Schedule 68	Commercial Rate Schedule 69	Multi-Unit High Rise Rate Schedule 70	Large Volume Rate Schedule 49 and Transportation Service Rate	Total	
1	2023 Test Year	\$ 466,437	\$ 127,761	\$ -	\$ 78,580	\$ 672,778	1.9
2	Prior Year True-Up	\$ (439,763)	\$ (72,691)	\$ -	\$ 29,055	\$ (483,399)	1.1
3	2023 Revenue Requirement (Ln 1 + Ln 2)	\$ 26,674	\$ 55,070	\$ -	\$ 107,635	\$ 189,379	
4	# of bills (MS RRA Schedule 10.1)	1,457,446	147,645	-	7,550		
5	Rate per customer bill (Ln 3 / Ln 4)	\$ 0.02	\$ 0.37	\$ -	\$ 14.26		
6	Total Revenue Decrease Proof (Ln 4 x Ln 5)	\$ 29,149	\$ 54,629	\$ -	\$ 107,663	\$ 191,441	
7	Excess/(Deficient) Revenue (Ln 6 - Ln 3)	\$ 2,475	\$ (441)	\$ -	\$ 28	\$ 2,062	
8	Previous SGR Rate Adjustment per customer bill	\$ 0.16	\$ 0.34	\$ -	\$ 3.01		2022 TY
9	Increase/(Decrease) per customer bill (Ln 5- Ln 8)	\$ (0.14)	\$ 0.03	\$ -	\$ 11.25		

01629475

Issued by:  
John Murphy

(Name)

Date Effective

VP Louisiana and  
Mississippi Gas

(Title)

Date Approved

300 Executive Boulevard  
Byram, MS 39272

(Address)

Authority No.