CENTERPOINT ENERGY RESOURCES CORP. D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS SOUTH TEXAS DIVISION RATE SHEET HURRICANE SURCHARGE RATE SCHEDULE NO. HS-2

APPLICATION OF SCHEDULE

The Hurricane Surcharge ("<u>Hurricane</u>") rate as set forth in section (B) below is for the recovery of restoration expenses incurred by the Company as a direct result of a <u>Hurricane</u> and not recoverable from any other source. These restoration expenses include insurance deductibles under the property damage and business interruption policies. The <u>Hurricane</u> rate identified in this rate schedule shall apply to all standard rate customers of CenterPoint Energy Texas Gas South Texas Division. The standard rate customers are defined as the residential, general service-small, and general service-large volume customers of the South Texas Division.

(B) HURRICANE RATE

The monthly charge amounts shall be collected volumetrically in accordance with the following factors:

Residential	\$0.01026 per Ccf at 14.65 pressure base
Residential	\$0.01047 per Ccf at 14.95 pressure base
General Service-Small	\$0.01026 per Ccf at 14.65 pressure base
General Service-Small	\$0.01047 per Ccf at 14.95 pressure base
General Service-Large	\$0.01026 per Ccf at 14.65 pressure base

Any refunds due to recovery of expense from insurance proceeds shall be refunded on the same allocation basis described above.

EFFECTIVE DATES

Hurricane Rider to be effective beginning on or after May 22, 2018.

This rate will be in effect until all approved and expended <u>Hurricane</u> costs are recovered under the applicable rate schedules. This Rider does not limit the legal rights and duties of the Cities and is subject to all applicable laws and orders and the Company's rules and regulations on file with the regulatory authority.

This rate will be in effect until all approved <u>Hurricane</u> charges are recovered from the applicable customer classes as documented in the compliance filing on the Hurricane Surcharge for GUD No. 10669. This tariff expires upon collection of \$675,992.

Any over-recovery associated with this surcharge shall be returned to customers through the Purchased Gas Adjustment (PGA) tariff.

COMPLIANCE

The Company will file annually, due on the 1st of each November, a report with the Railroad Commission of Texas ("Commission"), Oversight and Safety Division, referencing GUD No. 10669. The report shall detail the amount recovered by month and the outstanding balance by month.

Reports for the Commission should be filed electronically at <u>GUD Compliance@rrc.texas.gov</u> or at the following address:

Compliance Filings Oversight and Safety Division Gas Services Department Railroad Commission of Texas P.O. Box 12967 Austin, Texas 78711-2967

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Upon final settlement with the insurance company, CenterPoint shall file a copy of the final settlement statement from the insurance company regarding claims for Hurricane Harvey. All insurance proceeds received under this policy shall be deducted from the amount allowed to be collected. If over-collected, a refund is required through the PGA as a reconciling item.