

FAQs

Texas Energy Conservation Program Portfolio Filing

What is an Energy Conservation Program Portfolio ("ECP Portfolio") filing?

In 2023, the Texas Legislature amended the Gas Utility Regulatory Act (GURA) to permit natural gas local distribution companies, such as CenterPoint Energy, to offer energy conservation programs. In April of 2024, the Railroad Commission of Texas ("RRC") adopted 16 Texas Administrative Code § 7.480 ("Rule 7.480") relating to Energy Conservation Programs. This filing is an application to the RRC for approval of its ECP Portfolio.

Who can make ECP Portfolio filings?

A natural gas utility with an energy conservation program portfolio can make an ECP Portfolio filing.

When was CenterPoint Energy's most recent Texas ECP Portfolio filing?

This is the first ECP Portfolio CenterPoint Energy has filed in Texas.

Who is the regulatory authority and what is their role?

The Railroad Commission of Texas (Commission) is the state agency with regulatory jurisdiction over natural gas utilities. The Commission shall ensure that applications for Energy Conservation Program Portfolios are viewed for compliance with the requirements of Texas Utilities Code §§ 104.401-104.403 and Rule 7.480. Within 120 days of the date the ECP Portfolio application is filed, the Commission's Gas Services Department will prepare a written recommendation of the application. The recommendation will be provided to the Company and submitted to the Commission for decision at a scheduled open meeting.

What is included in the filing? Consistent with the requirements of GURA §§ 104.402 and 403 and Rule 7.480, the Company's filing includes: (1) its proposed 2025 Energy Conservation Program Portfolio, which provides a summary of CenterPoint Energy's proposed energy conservation programs, a description of each proposed program, the proposed budget for each program and the projected consumption reduction estimated for each program and (2) CenterPoint Energy's proposed Energy Conservation Program Rate tariff.

A utility implementing an approved ECP Portfolio, shall file an ECP annual report with the Railroad Commission of Texas. The report shall be filed each year no later than 45 days following the end of the utility's program year. The ECP annual report shall include the following:

- An overview of the Company's ECP Portfolio;
- a description of each ECP offered under the portfolio that includes the program's performance for the program year, including any evaluation of cost-effectiveness, annual program expenditures, and program results;
- the Company's planned ECPs for the upcoming program year.

If the plan is approved by the Commission, when will the Company's initial ECP filing be implemented?

If the plan is approved, CenterPoint Energy's initial ECP Portfolio will be implemented Jan. 1, 2025.

What does CenterPoint Energy propose in its ECP Portfolio?

CenterPoint Energy proposes to begin its Energy Conservation Program Portfolio with nine targeted programs that will deliver cost-effective energy savings, promote awareness of energy conservation and provide customers with opportunities to reduce natural gas usage in their homes and businesses throughout the Company's Texas service territory. The ECP Portfolio includes the following programs: 1) High Efficiency Equipment Rebate Program 2) Home Conservation Improvement Products Program 3) Residential New Home Construction Program 4) Affordable Housing Weatherization Program 5) Commercial Foodservice Program 6) Commercial Boiler Program 7) Commercial Solutions Program 8) CenterPoint Energy Education Program and 9) Natural Gas Generator Program.

What do the programs include?

The programs will include 1) direct financial incentives or rebates for the installation of higher efficient equipment 2) technical assistance and direct install measures for commercial facilities 3) weatherization and home conservation kits and 4) educational information to increase awareness of energy conservation and cost savings.

How do these programs benefit the communities CenterPoint Energy serves?

Specific objectives associated with the ECP Portfolio are to:

- Reduce end-use natural gas consumption in a cost-effective manner to minimize the long-term cost of utility service and to conserve resources;
- Provide environmental benefits by influencing the use of energy efficient equipment and technology that reduces carbon dioxide emissions and other greenhouse gases; and
- Promote energy-conscious attitudes and behaviors that support energy conservation and sustainability.

The proposed ECP Portfolio is projected to provide energy conservation education, financial incentives, technical assistance, and deliver approximately 1.8 million in annual Ccf savings and net benefits of approximately \$4.3 million for Texas customers.

What will be the ECP Portfolio budget and impact to the customer's monthly bill?

The proposed budget is approximately \$12.5 million, which when collected through the proposed Energy Conservation Program Rate Tariff, will result in a volumetric charge of approximately \$0.016 per Ccf for Texas residential natural gas customers. If approved, customers would see the increase on their bills starting Jan. 1, 2025.

Who is CenterPoint Energy?

As the only investor-owned electric and gas utility based in Texas, CenterPoint Energy, Inc. (NYSE: CNP) is an energy delivery company with electric transmission and distribution, power generation and natural gas distribution operations that serve more than 7 million metered customers in Indiana, Louisiana, Minnesota, Mississippi, Ohio and Texas. With approximately 9,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 150 years. For more information, visit CenterPointEnergy.com.

Customers in what Texas cities will be affected by the Company's filing?

This proposed ECP Portfolio applies to all standard sales service, natural gas customers served by the Company in Houston, South Texas, Texas Coast and Beaumont/East Texas geographic rate areas. A more comprehensive list is below.

Houston Geographic Rate Area: Bellaire, Bunker Hill Village, Conroe, Cut and Shoot, Deer Park, Galena Park, Hedwig Village, Hilshire Village, Houston, Humble, Hunters Creek Village, Jacinto City, Jersey Village, Magnolia, Meadows Place, Missouri City, Montgomery, Nassau Bay, New Caney, New Waverly, Oak Ridge North, Panorama Village, Pasadena, Piney Point Village, Porter, Roman Forest, Shenandoah, South Houston, Southside Place, Spring, Spring Valley Village, Stafford, Tomball, The Woodlands Township, West University Place, Willis, and Woodbranch Village.

South Texas Geographic Rate Area: Agua Dulce, Alice, Aransas Pass, Austin, Banquete, Bastrop, Beeville, Bishop, Blessing, Bloomington, Bruni, Buda, Cibolo, Converse, D'Hanis, Driscoll, Eagle Lake, Edna, Edroy, El Campo, Elgin, Falls City, Floresville, Freer, Ganado, Garden Ridge, Giddings, Goliad, Gregory, Hallettsville, Hebbronville, Hondo, Inez, Ingleside, Ingleside on the Bay, Jourdanton, Karnes City, Kenedy, Kingsville, Kyle, LaCoste, La Grange, Laredo, Lolita, Louise, Marion, Mathis, McQueeney, Mirando City, New Braunfels, Niederwald, Nordheim, Odem, Oilton, Orange Grove, Palacios, Pettus, Placedo, Pleasanton, Point Comfort, Port Lavaca, Portland, Poteet, Poth, Premont, Refugio, Runge, San Diego, San Marcos, Sandy Oaks, Santa Clara, Schertz, Schulenburg, Seadrift, Seguin, Selma, Sinton, Skidmore, Smithville, Taft, Tuleta, Uhland, Universal City, Vanderbilt, Victoria, Weimar, and Yorktown.

Texas Coast Geographic Rate Area: Alvin, Angleton, Arcola, Bacliff, Barrett, Baytown, Beach City, Beasley, Boling, Brookshire, Brookside Village, Channel Area, Clear Lake Shores, Clute, Columbia Lakes, Crosby, Damon, Danbury, Dickinson, East Bernard, El Lago, Freeport, Friendswood, Fulshear, Glen Flora, Highlands, Hillcrest Village, Hitchcock, Hungerford, Iago, Iowa Colony, Jones Creek, Katy, Kemah, Kendleton, La Marque, La Porte, Lake Jackson, League City, Liverpool, Manvel, Mont Belvieu, Morgan's Point, Needville, New Gulf, Old Ocean, Orchard, Oyster Creek, Pearland, Pecan Grove, Pleak, Richmond, Richwood, Rosenberg, Rosharon, San Leon, Santa Fe, Seabrook, Shoreacres, Sienna Plantation, Simonton, Sugar Land, Taylor Lake Village, Teal Run, Texas City, Van Vleck, Wallis, Webster, West Columbia, Weston Lakes, and Wharton.

Beaumont/East Texas Geographic Rate Area: Ames, Anahuac, Arp, Atlanta, Avinger, Beaumont, Beauxart Gardens, Beckville, Bevil Oaks, Big Sandy, Bloomburg, Bridge City, Bronson, Bullard, Buna, Carthage, Center, Central, Cheek, China, Clarksville City, Cleveland, Colmesneil, Corrigan, Crockett, Daingerfield, Dayton, De Berry, De Kalb, Diboll, Dodge, Douglassville, East Mountain, Eastham Farm, Edgewood, Elkhart, Ellis Ferguson Farm, Elysian Fields, Evadale, Fruitvale, Fuller Springs, Gilmer, Gladewater,

Goodrich, Grand Saline, Grapeland, Groveton, Hallsville, Hawkins, Henderson, Hideaway, Hooks, Hudson, Hughes Springs, Huntsville, Jacksonville, Jasper, Jefferson, Jonesville, Kilgore, Kirbyville, Latexo, Leary, Leggett, Liberty, Lindale, Linden, Livingston, Lone Star, Longview, Lovelady, Lufkin, Lumberton, Marshall, Maud, Mauriceville, McLeod, Mineola, Mount Pleasant, Mount Vernon, Nacogdoches, Naples, Neches, Nederland, New Boston, New London, New Willard, Noonday, North Cleveland, Omaha, Orange, Orangefield, Ore City, Overton, Pine Forest, Pinehurst, Pittsburg, Port Arthur, Price, Queen City, Red Lick, Redland, Riverside, Rose City, Rose Hill Acres, Rusk, San Augustine, Saratoga, Scottsville, Shepherd, Silsbee, Sour Lake, Stowell, Swan, Sylvan-Harmony, Talco, Tatum, Tenaha, Timpson, Trinity, Troup, Tyler, Uncertain, Union Grove, Van, Victory Gardens, Vidor, Warren City, Waskom, West Orange, White Oak, Whitehouse, Wills Point, Winfield, Winnie, and Winnsboro.