

**CENTERPOINT ENERGY RESOURCES CORP.
D/B/A CENTERPOINT ENERGY ENTEX
AND CENTERPOINT ENERGY TEXAS GAS
HOUSTON DIVISION AND TEXAS COAST DIVISION
RATE SHEET
TAX CUTS AND JOBS ACT REFUND
RATE SCHEDULE NO. TCJA-HOU/TXC 2021**

PURPOSE

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-HOU/TXC returns to customers the Unprotected Excess Deferred Income Tax (EDIT) amounts not subject to the normalization provision of the Internal Revenue Code.

APPLICATION

This rider applies to all residential, general service-small and general service-large volume customers of the Houston Division and Texas Coast Division.

The rates associated with this rider will be calculated in accordance with Appendix 1.

The unprotected EDIT will be amortized over three years and allocated to the customer classes based on the standard sales service allocation factors and base rate revenue allocation factors approved in GUD No. 10567. The allocated amounts by class shall be divided by the customer count billing determinants to calculate a monthly per bill refund. The refund for year three includes the present value of the year four return component of the change in the Company's rate base.

Monthly refunds shall appear as a line item on the bill titled, "Tax Refund".

TRUE-UP

Each subsequent Rider TCJA-HOU/TXC application will include a true-up of the actual amounts refunded to customers.

If the Internal Revenue Service issues new guidance or the Company acquires new information requiring the Company to revise the balances of Unprotected EDIT as a result of the TCJA or any other tax change, the Company reserves the right to make additional filings to recognize such adjustments.

Upon completion of the three-year amortization period, the over- or under- refund amounts will be transferred to a regulatory asset or regulatory liability until that over- or under- refund amount can be reconciled in a later proceeding.

FILING PROCEDURES

On or before August 1 for all test years, during the term of Rider TCJA-HOU/TXC, the Company shall file with the Railroad Commission (RRC) and Cities the TCJA calculation as shown in Appendix 1 along with supporting schedules and workpapers. Unless disputed by the RRC Staff or Cities, rates per Appendix 1 will become effective for bills rendered on or after January 1. If the RRC Staff or Cities dispute the calculation, or any component thereof, the RRC Staff or Cities shall notify the Company on or before October 1.

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CenterPoint Energy
Houston and Texas Coast Divisions
Rider TCJA-HOU/TXC
Effective January 1, 2021

<u>Line No.</u>	(A) <u>Description</u>	(B) <u>Standard Service Amounts Year 2021</u>
1	Unprotected Excess Deferred Income Taxes (EDIT)	\$ (6,450,916)
2	True-up for Previous Unprotected EDIT	\$ -
3	Total Unprotected (EDIT)	<u>\$ (6,450,916)</u>
<u>Base Rate Revenue Allocation Factors per GUD No. 10567</u>		
4	Residential	90.1796%
5	General Service - Small	6.5762%
6	General Service - Large Volume	3.2442%
7	Total	<u>100.0000%</u>
<u>Impact to Revenues Allocated to Customer Classes</u>		
8	Residential (Line 3 * Line 4)	\$ (5,817,410)
9	General Service - Small (Line 3 * Line 5)	(424,225)
10	General Service - Large Volume (Line 3 * Line 6)	(209,281)
11	Total	<u>\$ (6,450,916)</u>
<u>True-up for Previous Unprotected EDIT related to Billing Determinants</u>		
12	Residential	\$ 113,827
13	General Service - Small	5,983
14	General Service - Large Volume	11,906
15	Total	<u>\$ 131,716</u>
<u>Total Impact to Revenues by Customer Class</u>		
16	Residential (Line 8 + Line 12)	\$ (5,703,583)
17	General Service - Small (Line 9 + Line 13)	(418,242)
18	General Service - Large Volume (Line 10 + Line 14)	(197,375)
19	Total	<u>\$ (6,319,200)</u>
<u>Number of Bills (12 Months Ending June)</u>		
20	Residential	16,325,795
21	General Service - Small	780,104
22	General Service - Large Volume	23,318
23	Total	<u>17,129,217</u>
<u>Refund</u>		
24	Residential (Line 16 / Line 20)	\$ (0.35)
25	General Service - Small (Line 17 / Line 21)	\$ (0.54)
26	General Service - Large Volume (Line 18 / Line 22)	\$ (8.46)