

**CENTERPOINT ENERGY RESOURCES CORP.
D/B/A CENTERPOINT ENERGY ENTEX
AND CENTERPOINT ENERGY TEXAS GAS
SOUTH TEXAS DIVISION
RATE SHEET
TAX CUTS AND JOBS ACT REFUND
RATE SCHEDULE NO. TCJA-STX 2022**

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-STX returns to customers the Protected Excess Deferred Income Tax (EDIT) amounts determined by the average rate assumption method (ARAM) as required by TCJA Section 13001(d).

APPLICATION

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

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

The protected EDIT, amortized over ARAM, will be allocated to the customer classes based on the standard sales service allocation factors and base rate revenue allocation factors approved in GUD No. 10669. The allocated amounts by class shall be divided by the customer count billing determinants to calculate a monthly per bill refund.

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

TRUE-UP

Each subsequent Rider TCJA-STX 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 the protected 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 amortization period, the over- or under- refund amount 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 November 15 for all test years, during the term of Rider TCJA-STX, 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 March 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 February 15.

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CenterPoint Energy
South Texas Division
Rider TCJA-STX
Effective March 1, 2022

<u>Line No.</u>	<u>(A)</u> <u>Description</u>	<u>(B)</u> <u>Standard Service Amounts Year 3</u>
1	Protected Excess Deferred Income Taxes (EDIT)	\$ (626,768)
2	True-up	-
3	Total Protected (EDIT) Amortization	<u>\$ (626,768)</u>
<u>Base Rate Revenue Allocation Factors per GUD No. 10669</u>		
4	Residential	84.8764%
5	General Service - Small	13.0623%
6	General Service - Large Volume	2.0613%
7	Total	<u>100.0000%</u>
<u>Impact to Revenues Allocated to Customer Classes</u>		
8	Residential (Line 3 * 4)	\$ (531,978)
9	General Service - Small (Line 3 * 5)	(81,870)
10	General Service - Large Volume (Line 3 * 6)	(12,920)
11	Total	<u>\$ (626,768)</u>
<u>True-up for Previous Protected EDIT related to Billing Determinants</u>		
12	Residential	\$ 28,880
13	General Service - Small	3,486
14	General Service - Large Volume	(2,888)
15	Total	<u>\$ 29,478</u>
<u>Total Impact to Revenues by Customer Class</u>		
16	Residential (Line 8 + Line 12)	\$ (503,098)
17	General Service - Small (Line 9 + Line 13)	(78,384)
18	General Service - Large Volume (Line 10 + Line 14)	(15,808)
19	Total	<u>\$ (597,290)</u>
<u>Number of Bills (12 Months Ending September)</u>		
20	Residential	1,707,949
21	General Service - Small	126,472
22	General Service - Large Volume	2,681
23	Total	<u>1,837,102</u>
<u>Refund per Bill</u>		
24	Residential (Line 16 / 20)	\$ (0.29)
25	General Service - Small (Line 17 / 21)	\$ (0.62)
26	General Service - Large Volume (Line 18 / 22)	\$ (5.90)

APPENDIX 1