

1 Service under the rates, terms, and conditions outlined in this  
2 Tariff, including, but not limited to, Section 3.7,  
3 NON-DISCRIMINATION, Section 3.11, GOVERNING  
4 LAWS AND REGULATIONS, Section 3.13, QUALITY  
5 OF DELIVERY SERVICE, Section 4.2.5, EMERGENCIES  
6 AND NECESSARY INTERRUPTIONS, Section 4.2.6,  
7 LIMITATION OF WARRANTIES BY COMPANY,  
8 Section 5.2.5, EMERGENCIES AND NECESSARY  
9 INTERRUPTIONS, and Section 5.2.6, LIMITATION OF  
10 WARRANTIES BY COMPANY. Company's operation of  
11 facilities that provide temporary emergency electric energy  
12 during a significant ~~widespread~~ power outage shall not  
13 abridge, enlarge, or modify the limits on liability outlined in  
14 Section 4.2, LIMITS ON LIABILITY, and SECTION 5.2,  
15 LIMITS ON LIABILITY. *Company will not be liable for*  
16 *any damages, whether direct or consequential, including,*  
17 *without limitation, loss of profits, loss of revenue, or loss of*  
18 *production capacity, occasioned by Company's use of*  
19 *facilities that provide temporary emergency electric energy*  
20 *during a significant ~~widespread~~ power outage. including,*  
21 *without limitation, the deployment (or lack of deployment),*  
22 *location, capacity, duration, or operation of such facilities,*  
23 *or any fluctuations, irregularities, or interruptions in*

1                   *Delivery Service from such facilities.* However, if damages  
 2                   are caused by Company's gross negligence or intentional  
 3                   misconduct, this provision shall not preclude recovery of  
 4                   appropriate damages when legally due. This tariff provision  
 5                   6.2.3 expires on the effective date of revisions to Company's  
 6                   pro forma tariff related to facilities that provide temporary  
 7                   emergency electric energy.

8   **Q.    IS THE COMPANY REQUESTING OTHER REVISIONS TO THE**  
 9       **COMPANY'S RETAIL TARIFF?**

10   A    Yes. The Company is also requesting revisions to Section 6.1.2.3.3 of the  
 11       Company's Retail Tariff.

12   **Q.    PLEASE DESCRIBE SECTION 6.1.2.3.3 OF THE COMPANY'S RETAIL**  
 13       **TARIFF.**

14   A    Section 6.1.2.3.3 of the Company's Retail Tariff addresses the provision of  
 15       Premium Service to customers that request Premium Service. Premium Service  
 16       includes back-up, stand-by, redundant, and other premium delivery service.

17   **Q.    WHAT TYPE OF CUSTOMERS TYPICALLY REQUEST AND RECEIVE**  
 18       **PREMIUM SERVICE?**

19   A.    The type of customers that typically request and receive Premium Service are  
 20       customers that operate equipment that is sensitive to voltage fluctuations or  
 21       irregularities or customers that require higher levels of service.



1    **Q.    WHAT IS THE PROCESS UNDERTAKEN BY THE COMPANY TO**  
2       **PROVIDE PREMIUM SERVICE TO CUSTOMERS THAT REQUEST**  
3       **PREMIUM SERVICE?**

4    A.    As part of providing Premium Service, the Company installs additional equipment  
5       such as switches, breakers, and transformers and may need to modify or extend  
6       facilities. For customers that seek Premium Service, the Company and customer  
7       execute the Company's standard Premium Service Study Agreement, which is in  
8       Section 6.3.4.6 of the Company's Retail Tariff. The Premium Service Study  
9       Agreement details the terms and conditions under which the Company will conduct  
10      a design and engineering study to determine the modifications and additions needed  
11      to provide Premium Service to the customer. Upon conclusion of the design and  
12      engineering study, and to the extent that the customer seeks to proceed with  
13      receiving Premium Service, the Company and the customer execute Company's  
14      standard Premium Service Agreement, which is also in Section 6.3.4.6 of the  
15      Company's Retail Tariff. The Premium Service Agreement details the terms and  
16      conditions under which the Company will install necessary equipment and make  
17      other modifications to provide Premium Service to the customer.

18   **Q.    WHAT REVISIONS TO SECTION 6.1.2.3.3 OF THE COMPANY'S TARIFF**  
19       **IS THE COMPANY REQUESTING?**

20   A.    The Company requests that Section 6.1.2.3.3 of the Company's Tariff be revised to  
21       clarify that Premium Service (and corresponding requirements and related  
22       agreements) also applies to the installation of additional equipment and  
23       modification or extension of Company facilities to ensure that a customer's

1 operation of certain technologies such as distributed energy resources or a  
2 microgrid on the customer's premises (i.e., customer's side of the meter) does not  
3 affect the safe and reliable operation of the Company's delivery system (i.e.,  
4 Company's side of the meter). Thus, the Company requests that Section 6.1.2.3.3  
5 of the Company's Tariff be revised as follows:

6 **6.1.2.3.3 PREMIUM SERVICE - RATE PS**

7 Some Retail Customers taking Delivery System Services under  
8 Section 6.1.1.1 of this Tariff operate sensitive equipment, or have  
9 other needs that require higher levels of Delivery System Service  
10 reliability than is achievable from the Company's standard Delivery  
11 System, or operate equipment located at or past the Retail  
12 Customer's Point of Delivery that may impact the safe and reliable  
13 operation of the Company's Delivery System. Company will  
14 accommodate Retail Customers' requests for the provision of back-  
15 up, stand-by, redundant or other premium Delivery Services at  
16 either Distribution Voltages or Transmission Voltages (collectively,  
17 Premium Service) where facilities of adequate capacity, proper  
18 phase and suitable voltage can be made available. Premium Service  
19 includes the installation of equipment and modification or extension  
20 of facilities needed, in Company's sole judgment, to ensure the safe  
21 and reliable operation of the Company's Delivery System due to  
22 equipment located at or past the Retail Customer's Point of Delivery  
23 whose operation may impact the Company's Delivery System. The

1 provision of Premium Service requires the installation of additional  
2 equipment and the extension of Delivery System facilities at Retail  
3 Customer expense, including the construction or upgrade of primary  
4 feeder circuits, the installation of automatic rollover switches,  
5 breakers, transformers, meters and related equipment on or adjacent  
6 to Retail Customer premises, and power quality equipment and  
7 various other facilities and devices needed for the safe and reliable  
8 operation of Company's Delivery System (collectively, the Facility  
9 Extension). Retail Customer is responsible for the cost of the  
10 Facility Extension pursuant to the Company's Construction Services  
11 Policy in Section 6.1.2.2 of this Tariff.

12 **Q. IS THE COMPANY REQUESTING OTHER REVISIONS RELATED TO**  
13 **PREMIUM SERVICE?**

14 A. Yes, the Company also requests minor revisions to the first paragraphs in the  
15 Premium Service Study Agreement and Premium Service Agreement in Section  
16 6.3.4.6 of the Company's Retail Tariff. The Company requests the following  
17 revisions to both agreements:

18 Premium Service Study Agreement:

19 Company is an electric utility that provides standard retail electric  
20 power delivery service ("**Standard Service**") through its utility  
21 distribution and transmission system (the "**Delivery System**") to  
22 customers pursuant to the standard rate schedules in its Tariff for  
23 Retail Delivery Service (the "**Tariff**") and offers back-up or

1           redundant electric power delivery service or requires the installation  
2           of equipment and modification or extension of facilities (“**Premium**  
3           **Service**”) to customers with non-Standard Service requirements or  
4           customers that operate certain equipment that may affect the  
5           Delivery System pursuant to the Company’s Premium Service rate  
6           schedule in its Tariff.

7           Premium Service Agreement

8           Company is an electric utility that provides standard retail electric  
9           power delivery service (“**Standard Service**”) through its utility  
10          distribution and transmission system (the “**Delivery System**”) to  
11          customers pursuant to the standard rate schedules in its Tariff for  
12          Retail Delivery Service (the “**Tariff**”) and offers back-up or  
13          redundant electric power delivery service or requires the installation  
14          of equipment and modification or extension of facilities (“**Premium**  
15          **Service**”) to customers with non-Standard Service requirements or  
16          customers that operate certain equipment that may affect the  
17          Delivery System pursuant to the Company’s Premium Service rate  
18          schedule in its Tariff.

19    **Q.    PLEASE EXPLAIN THE REVISION TO THE TARIFF REGARDING**  
20    **CUSTOMER-OWNED 345KV SUBSTATIONS.**

21    A.    The Company is requesting that Section 6.1.2.2 of the Company’s Retail Tariff be  
22           revised to address transmission voltage facility extensions to customer-owned 345  
23           kV substations.

1    **Q.    PLEASE EXPLAIN FURTHER.**

2    A.    Section 6.1.2.2 of the Company's Retail Tariff, which is the Company's  
3           Construction Services Policy and Charges, details the terms and conditions by  
4           which the Company constructs, extends, upgrades, or alters the Company's  
5           facilities to connect a customer. Subsection 2.3 of the Company's Construction  
6           Services Policy and Charges details the terms and conditions by which the  
7           Company will connect a customer to the Company's transmission system.

8    **Q.    WHAT VOLTAGE HAS THE COMPANY TYPICALLY CONNECTED**  
9           **TRANSMISSION LEVEL CUSTOMERS?**

10   A.    The Company has connected transmission level customers at 138 kV.

11   **Q.    WILL THERE BE INSTANCES IN THE COMPANY'S SERVICE AREA IN**  
12           **WHICH TRANSMISSION LEVEL CUSTOMERS WILL NEED TO BE**  
13           **CONNECTED AT 345 KV INSTEAD OF 138 KV?**

14   A.    Yes. There are several future projects in the Company's service area, such as  
15           hydrogen-related projects, that require transmission level connections and that are  
16           projected to have high amounts of load when compared to the Company's current  
17           transmission level customers. Using its engineering and operational judgment, the  
18           Company has determined that future projects that are projected to have high  
19           amounts of load need to be connected at 345 kV instead of 138 kV to be safely and  
20           reliably served.

21   **Q.    WHAT IS THE TARIFF REVISION THAT THE COMPANY IS**  
22           **REQUESTING?**

23   A.    The Company requests that Subsection 2.3 of the Company's Construction Services

1 Policy and Charges be revised to include customer-owned 345 kV substations. The  
2 Company requests the following revisions to Subsection 2.3 of the Company's  
3 Construction Services Policy:

4 **Subsection 2.3 - Transmission Voltage Facility Extensions**

5 A Retail Customer whose load is of such magnitude or of such  
6 unusual characteristics that it cannot otherwise be economically  
7 served from Company's Distribution Voltage system, as determined  
8 by Company, must receive Delivery Service from the Company's  
9 Transmission Voltage system. The Retail Customer is responsible  
10 for all Facility Extension costs and (unless otherwise agreed by  
11 Company) for constructing, installing, operating and maintaining a  
12 customer-owned substation at the Point of Delivery and all  
13 substation equipment, in accordance with the Company's  
14 specifications, including the most recent versions of Company's  
15 "Specification for Customer-Owned 138 kV Substation Design" or  
16 "Specification for Customer-Owned 345 kV Substation Design,"  
17 whichever is applicable, and the Company's "Specification for  
18 Remote Telemetry of a Customer Owned Facility," both initially  
19 and from time to time thereafter, whenever changes in the  
20 Company's transmission system (including the transmission  
21 system's monitoring and protection devices) require such changes  
22 in the substation in order to maintain its compatibility with the  
23 Company's transmission system. The Retail Customer must also at

1 all times comply with Company's Transmission & Substation  
 2 Outage and Clearance Coordination Procedures" (as may be  
 3 amended from time to time) and the requirements in Sections 5.5.2  
 4 and 5.5.5 of this Tariff.

5 **Q. ARE THERE ADDITIONAL NON-RATE TARIFF CHANGES**  
 6 **IDENTIFIED IN JRD-7?**

7 A. Yes. As mentioned above, CenterPoint Houston is making several changes to  
 8 remove unused riders from the class tariff sheets, harmonize tariff language and  
 9 make other non-substantive changes to improve readability or understanding of the  
 10 tariff language.

11 **Q. CAN YOU PLEASE GIVE SOME EXAMPLES OF THESE CHANGES?**

12 A. Yes. I can offer three examples. First, the Company is updating the Table of  
 13 Contents to reflect deleted Chapter 6 tariff sheets and reordering the remaining  
 14 tariff sheets. Second, the Company is removing references to deleted tariff sheets  
 15 in each of the rate classes. Third, the Company is harmonizing AMS capable IDR  
 16 meter language and traditional IDR meter language to represent the same  
 17 functionality of the meters, despite their technological differences.

18 **VII. CHANGES TO CUSTOMER AGREEMENTS**

19 **Q. HAVE YOU INCLUDED A SUMMARY OF THE COMPANY'S**  
 20 **PROPOSED RATE AND NON-RATE TARIFF CHANGES WITH YOUR**  
 21 **TESTIMONY?**

22 A. Yes. Exhibit JRD-8 is a redline showing the proposed revisions to the Retail Tariff.

1    **Q.    ARE THESE CHANGES REASONABLE?**

2    A.    Yes, for the reasons discussed above in my discussion of the individual changes.

3                   **VIII. WHOLESALE DELIVERY SERVICE TARIFF**

4    **Q.    WHAT CHANGES ARE YOU PROPOSING TO THE WHOLESALE**  
5       **TARIFF?**

6    A.    I propose updating the charge in the Wholesale Transmission Service – WTS rate,  
7       Sheet No. 4.1 in the Wholesale Tariff, to reflect CenterPoint Houston’s current cost  
8       of providing this service. This charge is determined by dividing CenterPoint  
9       Houston’s Test Year adjusted Transmission cost of \$697,326,740 by the year 2024  
10       ERCOT 4CP, 83,557 addressed in Docket No. 56050<sup>21</sup>, for a Wholesale  
11       Transmission Service Rate of \$8,345.5369 per MW. This proposed change for the  
12       Wholesale Delivery Tariff is shown in Exhibit JRD-10.

13   **Q.    IS THIS THE WHOLESALE RATE THAT YOU ARE PROPOSING TO BE**  
14       **EFFECTIVE AT THE CONCLUSION OF THIS CASE?**

15   A.    No. Interim Transmission Cost of Service updates are allowed under 16 TAC §  
16       25.192(h)(1) and it is possible that CenterPoint Houston will have had an interim  
17       TCOS approved while this case is in process. CenterPoint Houston will update its  
18       TCOS to reflect costs captured in the Test Year and the additions included after the  
19       Test Year.

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<sup>21</sup> Commission Staff’s Petition to Set 2024 Wholesale Transmission Service Charges for the Electric Reliability Council of Texas Docket No. 56050(pending). It should be noted that although the 2024 4CP calculation had not been approved at the time this application was filed, the Company utilized the proposed rates pending approval in this proceeding for purposes of setting the wholesale charge.



1    **Q.    WOULD THE COSTS IN THE INTERIM TCOS FILING STILL BE**  
2           **SUBJECT TO A PRUDENCY REVIEW IN CENTERPOINT HOUSTON'S**  
3           **NEXT BASE RATE CASE?**

4    A.    Yes. Costs included in the Test Year are subject to prudency review during this  
5           proceeding and additions not included in this Test Year would be subject to  
6           prudency review during CenterPoint Houston's next base rate case proceeding.

7    **Q.    WILL YOU BRIEFLY EXPLAIN THE WHOLESALE TAX RIDER**  
8           **CENTERPOINT HOUSTON IS PROPOSING?**

9    A.    Yes. The Company is proposing a Wholesale Service Rider WT IRA to recover  
10          changes in the Company's tax obligation as discussed by Company witness Mrs.  
11          Story. Company witness Kristie Colvin directly addresses the proposed cost for  
12          recovery through the Rider WT IRA.

13   **Q.    HOW WILL THE WHOLESALE SERVICE RIDER IRA BE CHARGED TO**  
14          **DSPS IN ERCOT?**

15   A.    The Wholesale service tax rider will be charged to all DSPs taking transmission  
16          service in or from ERCOT.

17   **Q.    HOW WAS THE RATE FOR THE TAX RIDER DETERMINED?**

18   A.    This rate is calculated using the ERCOT postage stamp method required by 16 TAC  
19          § 25.192. To determine the initial rate the revenue requirement of will be divided  
20          by the 2024 ERCOT 4CP to calculate a rate.

21   **Q.    CAN YOU PLEASE DESCRIBE THE WHOLESALE TARIFF FOR WDS**  
22          **CUSTOMERS?**

23   A.    Commission Rule 16 TAC § 25.191(d)(2)(C) requires a distribution service

1 provider to file a tariff with the Commission for wholesale transmission service at  
2 distribution level voltage if the distribution service provider receives a valid request  
3 to provide such service.

4 **Q. DOES CENTERPOINT HOUSTON CURRENTLY SERVE ANY WDS**  
5 **CUSTOMERS?**

6 No. CenterPoint Houston has received inquiries from interested entities, but  
7 wholesale transmission service at distribution level voltage or entered into an  
8 Interconnection Agreement to provide such service. CenterPoint Houston  
9 anticipates that it will receive such requests from distribution energy storage  
10 resources ("DESRs") and submitted an application in Docket No. 53606 for  
11 approval to amend the Wholesale Tariff to establish rates and other terms and  
12 conditions for WDS.<sup>22</sup> The amended Wholesale Tariff replaced CenterPoint  
13 Houston's existing Wholesale Tariff and renamed it "Tariff for Wholesale Delivery  
14 Service" and to include terms and rates for customers requesting WDS, as well as  
15 changes related to the interconnection process.

16 **Q. PLEASE EXPLAIN WHO WILL BE ELIGIBLE FOR WDS UNDER THE**  
17 **WHOLESALE TARIFF.**

18 A. WDS is available to a power generation company ("PGC") with a DESR  
19 interconnected to CenterPoint Houston's distribution system at one point of  
20 interconnection, measured through one separate meter. To receive the service, the  
21 customer must also execute an interconnection agreement with CenterPoint

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<sup>22</sup> Application of CenterPoint Energy Houston Electric, LLC for Approval to Amend its Wholesale Transmission Service Tariff, Docket No. 53606 (May 13, 2022).

1 Houston.

2 **Q. HOW WERE WDS RATES DERIVED?**

3 A. Currently there is no cost history on a DESR customer taking energy at the  
4 distribution level. It is reasonable to charge the same rate as is charged to a retail  
5 customer taking energy at the distribution level under the CenterPoint Houston  
6 Retail Delivery Tariff. The DESR customers are expected to take Primary service  
7 and thus the charges reflect the same charges that would be charged to a retail  
8 customer in the Primary class.

9 **Q. IS THE COMPANY UPDATING THE CURRENT WHOLESALE**  
10 **DISTRIBUTION SERVICE RATES?**

11 A. No. The current interim rates were established as part of a settlement agreement in  
12 Docket No. 53606. In that docket, parties agreed to adopt the PVS rates subject to  
13 refund or surcharge established in Docket No. 49421 for WDS customers until the  
14 Commission rulemaking on DESRs establishes the costs applicable to DESRs. The  
15 Commissioners agreed during the May 12, 2022 Open Meeting to develop the rule  
16 “in parallel” with individual tariff amendment proceedings so as not to delay the  
17 interconnection of much-needed DESRs.<sup>23</sup>

18 **Q. WHAT OTHER CHARGES ARE ASSOCIATED WITH WDS UNDER THE**  
19 **WHOLESALE TARIFF?**

20 A. A customer taking Wholesale Distribution Service under the Wholesale Tariff will  
21 be assessed a non-bypassable Distribution Service Charge adjustment pursuant to

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<sup>23</sup> Public Utility Commission of Texas Open Meeting at 1:25:08, 1:19:10-1:37:03 (May 12, 2022)  
available online at: [https://www.adminmonitor.com/tx/puct/open\\_meeting/20220512/](https://www.adminmonitor.com/tx/puct/open_meeting/20220512/).

1 the rider in Section 4.3 of the tariff. The Distribution Service Charge adjustment is  
2 based on the monthly per unit cost (the "WDCRF") multiplied by the Customer's  
3 appropriate monthly billing determinant. The WDCRF is calculated according to  
4 the formula as set out in the tariff. Currently, there is no charge for WDCRF. WDS  
5 customers will be assessed the Wholesale Distribution Rider WD IRA.

6 **Q. WILL YOU BRIEFLY EXPLAIN THE WHOLESALE DISTRIBUTION**  
7 **TAX RIDER CENTERPOINT HOUSTON IS PROPOSING?**

8 A. Yes. The Company is proposing Rider WD IRA to recover changes in the  
9 Company's tax obligation as discussed by Company witness Mrs. Story. Company  
10 witness Kristie Colvin directly addresses the proposed cost for recovery through  
11 the Rider IRAs. The proposed Wholesale Distribution Rider WD IRA can be found  
12 in Exhibit JRD-10.

13 **Q. WHAT ALLOCATION METHOD DID YOU APPLY TO THE COSTS IN**  
14 **THE PROPOSED TAX RIDER?**

15 A. I allocated costs using the Taxable Income Allocators excluding transmission in the  
16 II-I-2 Class Ratios schedule, in the same manner I developed the allocation  
17 percentage and rates for the retail Primary customer class. The Distribution,  
18 Customer and Meter functions were used to determine the allocation for the Retail  
19 Primary customer class and those charges or other Commission approved rates will  
20 be applicable to the Wholesale Distribution Rider WD IRA once the Commission  
21 rule is updated and Wholesale Distribution Service rates are in effect. The revenue  
22 requirement for the Transmission function does not apply to WDS customers.

1    **Q.    WHAT IS THE PROPOSED REVENUE REQUIREMENT OF THE NEW**  
2       **WHOLESALE DISTRIBUTION TAX RIDER?**

3    A.    In this proceeding the rates will be set at zero. As mentioned above, CenterPoint  
4       Houston is currently using rates that were established as part of a settlement, no  
5       customers are currently taking WDS and at current, the Commission has not  
6       finalized a rule regarding the treatment of WDS customers as it pertains to  
7       distribution charges.

8                                   **IX. CONCLUSION**

9    **Q.    DOES THIS CONCLUDE YOUR TESTIMONY?**

10   A.    Yes.

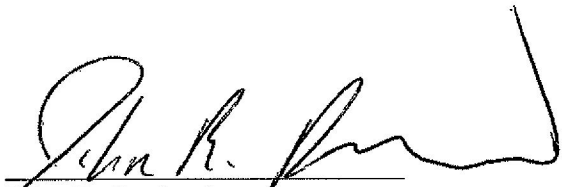
STATE OF Texas §  
COUNTY OF Harris §

**AFFIDAVIT OF JOHN R. DURLAND**

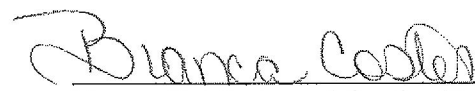
BEFORE ME, the undersigned authority, on this day personally appeared John R. Durland who having been placed under oath by me did depose as follows:

1. "My name is John R. Durland. I am of sound mind and capable of making this affidavit. The facts stated herein are true and correct based upon my personal knowledge.
2. I have prepared the foregoing Direct Testimony and the information contained in this document is true and correct to the best of my knowledge."

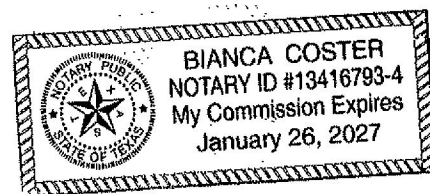
Further affiant sayeth not.

  
John R. Durland

SUBSCRIBED AND SWORN TO BEFORE ME on this 16<sup>th</sup> day of February,  
2024.

  
Notary Public in and for the State of Texas

My commission expires: Jan 26, 2027



**John Durland**  
**Director of Rates**  
**CenterPoint Energy Service Company, LLC**  
**1111 Louisiana Street, Houston, Texas 77002**

**CURRENT RESPONSIBILITIES**

Implementation of strategy for cost of service, cost allocation, rate design, and tariffs for delivery rates for CenterPoint Energy Houston Electric and gas cost adjustments in Texas, Louisiana and Mississippi.

**PREVIOUS PROFESSIONAL EMPLOYMENT**

CenterPoint Energy Service Company, LLC, 2018-2022  
Manager of Rates

CenterPoint Energy Service Company, LLC, 2016-2018  
Manager of Energy Efficiency Compliance

CPS Energy, 2010 – 2016  
Energy Efficiency Programs Manager

**EDUCATION**

Texas A&M Kingsville, MBA  
Eastern Kentucky University, BBA

**PREVIOUS TESTIMONY:**

**Public Utility Commission of Texas**

**Docket No. 53442** - *Application of CenterPoint Energy Houston Electric, LLC for Approval to Amend its Distribution Cost Recovery Factor*

**Docket No. 52194** - *Application of CenterPoint Energy Houston Electric, LLC for Approval of an Adjustment to its Energy Efficiency Cost Recovery Factor*

**Docket No. 50908** - *Application of CenterPoint Energy Houston Electric, LLC for Approval of an Adjustment to its Energy Efficiency Cost Recovery Factor*

**Docket No. 50653** – *Application of CenterPoint Energy Houston Electric, LLC For Interim Update of Wholesale Transmission Rates*

**Docket No. 49583** – *Application of CenterPoint Energy Houston Electric, LLC for Approval of an Adjustment to its Energy Efficiency Cost Recovery Factor*

**Docket No. 48420** – *Application of CenterPoint Energy Houston Electric, LLC for Approval of an Adjustment to its Energy Efficiency Cost Recovery Factor*

**Docket No. 47232** – *Application of CenterPoint Energy Houston Electric, LLC for Approval of an Adjustment to its Energy Efficiency Cost Recovery Factor*

**Docket No. 54825** - *Application of CenterPoint Energy Houston Electric, LLC for Approval to Amend its Distribution Cost Recovery Factor*

**Docket No. 54830** - *Application of CenterPoint Energy Houston Electric, LLC to Amend its Temporary Emergency Electric Energy Facilities Rider*



CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
SUMMARY OF ADJUSTMENTS TO BILLING DETERMINANTS  
FOR THE YEAR ENDING DECEMBER 31, 2023

Sponsor: J. Durband

| Rate Class                   | Docket 49421<br>Billing Determinants | Unadjusted Billing<br>Determinants | Weather<br>Adjustments | Customer<br>Adjustments | Fully-Adjusted<br>Billing Determinants | Amount<br>Increase/Decrease | Percent | Since 49421<br>Increase/Decrease | Since 49421<br>Percent |
|------------------------------|--------------------------------------|------------------------------------|------------------------|-------------------------|--|-----------------------------|---------|----------------------------------|------------------------|
| Residential (kWh)            | 29,428,698,118                       | 34,066,485,145                     | (2,546,990,956)        | 301,488,306             | 31,819,982,894                         | (2,247,502,950)             | -6.60%  | 2,390,346,476                    | 8%                     |
| Secondary <=10 Kva (kWh)     | 917,454,734                          | 883,453,198                        | (12,513,916)           | 2,725,644               | 873,664,925                            | (9,789,272)                 | -1.11%  | (43,789,809)                     | -5%                    |
| Secondary > 10 Kva           | 82,033,303                           | 110,189,140                        | (1,690,959)            | 809,084                 | 109,447,265                            | (721,875)                   | -0.66%  | 27,413,562                       | 25%                    |
| Non-IDR                      |                                      | 72,550,293                         | (881,476)              | 510,098                 |  |                             |         |                                  |                        |
| IDR                          |                                      | 37,618,840                         | (748,481)              | 398,986                 |  |                             |         |                                  |                        |
| Primary (Billing Kva)        | 13,450,975                           | 13,895,657                         | (137,168)              | 191,238                 | 14,040,627                             | 54,070                      | 0.39%   | 579,653                          | 4%                     |
| Non-IDR                      |                                      | 1,330,053                          | (13,905)               | (26,419)                |  |                             |         |                                  |                        |
| IDR                          |                                      | 12,858,494                         | (123,283)              | 217,657                 |  |                             |         |                                  |                        |
| Transmission (ACP Kva)       | 29,796,612                           | 37,271,037                         |                        | 3,538                   | 37,274,575                             | 3,538                       | 0.01%   | 7,477,963                        | 20%                    |
| Street Lighting (kWh)        | 204,275,174                          | 176,338,929                        |                        | 1,890,833               | 180,098,762                            | 1,690,833                   | 0.85%   | (24,246,412)                     | -13%                   |
| Miscellaneous Lighting (kWh) | 48,990,696                           | 44,374,539                         |                        | (741,011)               | 43,633,528                             | (741,011)                   | -1.67%  | (5,357,068)                      | -12%                   |
| Total                        | 30,724,647,511                       | 35,334,076,544                     | (2,555,272,899)        | 308,287,662             | 33,077,073,277                         | (2,257,005,267)             | -6.39%  | 2,352,426,765                    | 7%                     |

PUBLIC UTILITY COMMISSION OF TEXAS  
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
II-L-CLASS ALLOCATION SUMMARY  
TEST YEAR END DATE 12/31/2023  
DOCKET NO. 56211  
SPONSOR: J. DURLAND

| Line No.                   | Description                        | Total          | Residential    | Secondary <= 10 KVA | Secondary > 10 KVA | Primary Voltage | Transmission Voltage | Lighting SLS | Lighting MLS   | Wholesale DWS |
|----------------------------|------------------------------------|----------------|----------------|---------------------|--------------------|-----------------|----------------------|--------------|----------------|---------------|
| <b>PROPOSED</b>            |                                    |                |                |                     |                    |                 |                      |              |                |               |
| 1                          | Base + TCRF Revenue                | 3,075,173.669  | 1,664,190.312  | 33,305.451          | 928,656.721        | 92,358.167      | 282,246.548          | 71,339.335   | 3,077,136      |               |
| 2                          | Other Revenue                      | 41,273.710     | 24,141.416     | 395.119             | 12,925.030         | 1,006.718       | 1,198                | 2,724.136    | 80,093         |               |
| 3                          | Electric Operating Revenue         | 3,116,447.379  | 1,688,331.728  | 33,700.570          | 941,581.751        | 93,364.884      | 282,247.746          | 74,063.471   | 3,157,229      |               |
| 4                          | Revenue Deductions                 | 2,621,099.219  | 1,396,803.776  | 28,041.840          | 788,506.447        | 81,483.313      | 281,403.316          | 42,626.633   | 2,231.895      |               |
| 5                          | Net Income from Operations         | 495,348.159    | 291,527.952    | 5,658.730           | 153,075.304        | 11,879.571      | 844.430              | 31,436.838   | 925,334        |               |
| 6                          | Rate Base                          | 7,044,578.875  | 4,145,955.961  | 80,475.463          | 2,176,955.807      | 168,944.960     | 12,009.030           | 447,078.047  | 13,159.607     |               |
| 7                          | % Rate of Return                   | 7.03%          | 7.03%          | 7.03%               | 7.03%              | 7.03%           | 7.03%                | 7.03%        | 7.03%          |               |
| 8                          | Relative Rate of Return            | 100%           | 100%           | 100%                | 100%               | 100%            | 100%                 | 100%         | 100%           |               |
| 9                          |                                    |                |                |                     |                    |                 |                      |              |                |               |
| 10                         |                                    |                |                |                     |                    |                 |                      |              |                |               |
| <b>CURRENT ADJUSTED</b>    |                                    |                |                |                     |                    |                 |                      |              |                |               |
| 11                         | Base + TCRF Revenue + DCRF Revenue | 2,182,917.858  | 1,105,732.950  | 30,266.185          | 788,354.825        | 61,150.501      | 121,061.028          | 70,629.149   | 5,723.219      |               |
| 12                         | Other Revenue                      | 38,277.680     | 22,398.334     | 367.954             | 11,978.691         | 932.884         | 1,198                | 2,524.287    | 74,333         |               |
| 13                         | Electric Operating Revenue         | 2,221,195.537  | 1,128,131.284  | 30,634.138          | 800,333.516        | 62,083.385      | 121,062.226          | 73,153.435   | 5,797.552      |               |
| 14                         | Revenue Deductions                 | 1,780,281.806  | 915,606.639    | 24,548.711          | 617,136.417        | 56,672.933      | 118,403.214          | 44,903.881   | 3,008.011      |               |
| 15                         | Net Income from Operations         | 440,913.731    | 212,524.646    | 6,085.428           | 183,197.099        | 5,410.462       | 2,659.913            | 28,247.554   | 2,789.541      |               |
| 16                         | Rate Base                          | 7,044,578.875  | 4,145,955.961  | 80,475.463          | 2,176,955.807      | 168,944.960     | 12,009.030           | 447,078.047  | 13,159.607     |               |
| 17                         | % Rate of Return                   | 6.26%          | 5.13%          | 7.56%               | 8.42%              | 3.20%           | 22.14%               | 6.32%        | 21.20%         |               |
| 18                         | Relative Rate of Return            | 100%           | 82%            | 121%                | 134%               | 51%             | 354%                 | 101%         | 338%           |               |
| 19                         |                                    |                |                |                     |                    |                 |                      |              |                |               |
| 20                         |                                    |                |                |                     |                    |                 |                      |              |                |               |
| 21                         |                                    |                |                |                     |                    |                 |                      |              |                |               |
| <b>PROPOSED VS CURRENT</b> |                                    |                |                |                     |                    |                 |                      |              |                |               |
| 22                         | Base + TCRF Revenue - \$           | \$ 892,255.811 | \$ 558,457.362 | \$ 3,039.266        | \$ 140,301.895     | \$ 31,207.665   | \$ 161,185.519       | \$ 710.186   | \$ (2,648.084) |               |
| 23                         | Base + TCRF Revenue - %            | 40.87%         | 50.51%         | 10.04%              | 17.80%             | 51.03%          | 133.14%              | 1.01%        | -46.23%        |               |
| 24                         | Other Revenue - \$                 | \$ 2,996,031   | \$ 1,743,082   | \$ 27,166           | \$ 946,339         | \$ 73,834       | \$ -                 | \$ 198,860   | \$ 5,760       |               |
| 25                         | Other Revenue - %                  | 7.83%          | 7.78%          | 7.38%               | 7.90%              | 7.91%           | 0.00%                | 7.82%        | 7.75%          |               |
| 26                         | Total Revenue - \$                 | \$ 895,251.842 | \$ 560,200.445 | \$ 3,066.432        | \$ 141,248.235     | \$ 31,281.493   | \$ 161,185.519       | \$ 910.036   | \$ (2,640.324) |               |
| 27                         | Total Revenue - %                  | 40.30%         | 49.66%         | 10.01%              | 17.65%             | 50.38%          | 133.14%              | 1.24%        | -45.54%        |               |
| 28                         |                                    |                |                |                     |                    |                 |                      |              |                |               |

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
PROOF OF REVENUE STATEMENT  
FOR THE YEAR ENDING DECEMBER 31, 2023

TOTAL REVENUE (\$)

Sponsor: J. Durland

|  | Current<br>Adjusted Revenue | Target<br>Proposed Revenue | Actual<br>Proposed Revenue | Amount<br>Increase/Decrease | Percent       |
|--|-----------------------------|----------------------------|----------------------------|-----------------------------|---------------|
| Residential                                      | \$ 901,815,248              | \$ 975,768,614             | \$ 975,768,614             | \$ 73,953,366               | 8.20%         |
| Secondary <=10 kVa                               | \$ 25,410,421               | \$ 24,178,448              | \$ 24,178,448              | \$ (1,231,973)              | -4.85%        |
| Secondary > 10 kVa                               | \$ 578,913,742              | \$ 520,202,246             | \$ 520,202,246             | \$ (58,711,496)             | -10.14%       |
| Primary  | \$ 41,515,394               | \$ 48,954,335              | \$ 48,954,335              | \$ 7,438,941                | 17.92%        |
| Transmission                                     | \$ 27,090,086               | \$ 24,523,576              | \$ 24,523,576              | \$ (2,566,510)              | -9.47%        |
| Street Lighting                                  | \$ 70,539,565               | \$ 71,339,335              | \$ 71,339,335              | \$ 799,769                  | 1.13%         |
| Miscellaneous Lighting                           | \$ 5,812,803                | \$ 3,077,136               | \$ 3,077,136               | \$ (2,735,667)              | -47.06%       |
| <b>Total Revenue Requirement (Includes DCRF)</b> | <b>\$ 1,651,097,259</b>     | <b>\$ 1,668,043,690</b>    | <b>\$ 1,668,043,690</b>    | <b>\$ 16,946,431</b>        | <b>1.03%</b>  |
| EECRF **   | \$ 52,327,439               | \$ 52,327,439              | \$ 52,327,439              | \$ -                        | 0.00%         |
| Franchise Fees                                   | \$ (3,000,589)              | \$ (2,764,163)             | \$ (2,764,163)             | \$ 236,426                  | 7.88%         |
| CMC  | \$ -                        | \$ -                       | \$ -                       | \$ -                        | 0.00%         |
| TCRF   | \$ 531,820,599              | \$ 703,564,989             | \$ 703,564,989             | \$ 171,744,391              | 32.29%        |
| TEEEF  | \$ 139,567,298              | \$ 139,567,298             | \$ 139,567,298             | \$ -                        | 0.00%         |
| TC5*   | \$ 153,345,602              | \$ 153,345,602             | \$ 153,345,602             | \$ -                        | 0.00%         |
| IRA  | \$ -                        | \$ -                       | \$ -                       | \$ -                        | 0.00%         |
| Nuclear Decommissioning Fee*                     | \$ 197,708                  | \$ 773,292                 | \$ 773,292                 | \$ 575,584                  | 291.13%       |
| RCE  | \$ -                        | \$ 3,009,088               | \$ 3,009,088               | \$ 3,009,088                | 0.00%         |
| <b>Total Riders</b>                              | <b>\$ 874,258,056</b>       | <b>\$ 1,049,823,545</b>    | <b>\$ 1,049,823,545</b>    | <b>\$ 175,565,488</b>       | <b>20.08%</b> |
| <b>Sub-Total Revenue</b>                         | <b>\$ 2,525,355,315</b>     | <b>\$ 2,717,867,234</b>    | <b>\$ 2,717,867,234</b>    | <b>\$ 192,511,919</b>       | <b>7.62%</b>  |
| Other Revenue                                    | \$ 70,280,739               | \$ 73,276,770              | \$ 73,276,770              | \$ 2,996,031                | 4.26%         |
| <b>Total Revenue</b>                             | <b>\$ 2,595,636,055</b>     | <b>\$ 2,791,144,005</b>    | <b>\$ 2,791,144,005</b>    | <b>\$ 195,507,950</b>       | <b>7.53%</b>  |

\* The revenue amounts shown for these charges reflect the amounts approved in the specific Dockets they were approved in. These riders are not the subject of this rate case and the charges within each rider remain the same.

\*\* This reflects total program costs per Substantive Rule 25.181(f)(4), that any base rate case filed shall not be set to recovery energy efficiency costs.

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
PROOF OF REVENUE STATEMENT  
FOR THE YEAR ENDING DECEMBER 31, 2023

TOTAL REVENUE (\$)

Sponsor: J. Durland

|                              | Current<br>Adjusted Revenue | Target<br>Proposed Revenue | Actual<br>Proposed Revenue | Amount<br>Increase/Decrease | Percent  |
|------------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|----------|
| Residential                  | \$ 775,716,491              | \$ 975,768,614             | \$ 975,768,614             | \$ 200,052,124              | 25.79%   |
| Secondary <=10 kVa           | \$ 22,106,778               | \$ 24,178,448              | \$ 24,178,448              | \$ 2,071,670                | 9.37%    |
| Secondary > 10 kVa           | \$ 511,687,939              | \$ 520,202,246             | \$ 520,202,246             | \$ 8,514,308                | 1.68%    |
| Primary                      | \$ 36,140,809               | \$ 48,954,335              | \$ 48,954,335              | \$ 12,813,526               | 35.45%   |
| Transmission                 | \$ 26,560,158               | \$ 24,523,576              | \$ 24,523,576              | \$ (2,036,582)              | -7.67%   |
| Street Lighting              | \$ 56,362,059               | \$ 71,339,335              | \$ 71,339,335              | \$ 14,977,275               | 26.57%   |
| Miscellaneous Lighting       | \$ 2,376,618                | \$ 3,077,136               | \$ 3,077,136               | \$ 700,517                  | 29.48%   |
| Sub-Total                    | \$ 1,430,950,851            | \$ 1,668,043,690           | \$ 1,668,043,690           | \$ 237,092,838              | 16.57%   |
| Total Revenue Requirement    | \$ 1,430,950,851            | \$ 1,668,043,690           | \$ 1,668,043,690           | \$ 237,092,838              | 16.57%   |
| TCRF                         | \$ 531,820,599              | \$ 703,564,989             | \$ 703,564,989             | \$ 171,744,391              | 32.29%   |
| RCE                          | \$ -                        | \$ 3,009,088               | \$ 3,009,088               | \$ 3,009,088                | 0.00%    |
| EECRF **                     | \$ 52,327,439               | \$ 52,327,439              | \$ 52,327,439              | \$ -                        | 0.00%    |
| Franchise Fees               | \$ (3,000,589)              | \$ (2,764,163)             | \$ (2,764,163)             | \$ 236,426                  | 7.88%    |
| CIMC                         | \$ -                        | \$ -                       | \$ -                       | \$ -                        | 0.00%    |
| TEEEF                        | \$ 139,567,298              | \$ 139,567,298             | \$ 139,567,298             | \$ -                        | 0.00%    |
| TCS*                         | \$ 153,345,602              | \$ 153,345,602             | \$ 153,345,602             | \$ -                        | 0.00%    |
| IRA                          | \$ -                        | \$ -                       | \$ -                       | \$ -                        | 0.00%    |
| Nuclear Decommissioning Fee* | \$ 197,708                  | \$ 773,292                 | \$ 773,292                 | \$ 575,584                  | 291.13%  |
| DCRF                         | \$ 220,146,407              | \$ -                       | \$ -                       | \$ (220,146,407)            | -100.00% |
| Total Riders                 | \$ 1,094,404,464            | \$ 1,049,823,545           | \$ 1,049,823,545           | \$ (44,580,919)             | -4.07%   |
| Sub-Total Revenue            | \$ 2,525,355,315            | \$ 2,717,867,234           | \$ 2,717,867,234           | \$ 192,511,919              | 7.62%    |
| Other Revenue                | \$ 70,280,739               | \$ 73,276,770              | \$ 73,276,770              | \$ 2,996,031                | 4.26%    |
| Total Revenue                | \$ 2,595,636,055            | \$ 2,791,144,005           | \$ 2,791,144,005           | \$ 195,507,950              | 7.53%    |

\* The revenue amounts shown for these charges reflect the amounts approved in the specific Docket they were approved in. These riders are not the subject of this rate case and the charges within each rider remain the same.

\*\* This reflects total program costs per Substantive Rule 25.181(f)(4), that any base rate case filed shall not be set to recover energy efficiency costs.

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
RATE DESIGN SUMMARY  
FOR THE YEAR ENDING DECEMBER 31, 2023

Sponsor: J. Durland

| CURRENT AND PROPOSED CHARGES<br>(General Rate Schedules) |                |                |                 |              |                 |
|--|----------------|----------------|-----------------|--------------|-----------------|
| CLASS  | Type of Charge | Current Charge | Proposed Charge | Inc. or Dec. | Billing Unit    |
| RESIDENTIAL  | Customer       | \$2.30         | \$2.16          | -\$0.14      | per customer    |
|  | Metering       | \$2.09         | \$2.77          | \$0.68       | per meter       |
|  | Transmission   | \$0.000000     | \$0.000000      | \$0.000000   | per kWh         |
|  | Distribution   | \$0.020314     | \$0.026100      | \$0.005786   | per kWh         |
| SECONDARY =<10 kVa<br>(Small)                            | Customer       | \$2.26         | \$2.22          | -\$0.04      | per customer    |
|  | Metering       | \$2.32         | \$3.02          | \$0.70       | per meter       |
|  | Transmission   | \$0.000000     | \$0.000000      | \$0.000000   | per kWh         |
|  | Distribution   | \$0.015504     | \$0.016460      | \$0.000956   | per kWh         |
| SECONDARY >10kVa<br>(Large)                              | Customer       | \$3.00         | \$3.23          | \$0.23       | per customer    |
|  | NON-IDR        | \$44.95        | \$40.50         | (\$4.45)     | per customer    |
|  | Metering       |                |                 |              |                 |
|  | NON-IDR        | \$7.41         | \$9.56          | \$2.15       | per meter       |
|  | IDR            | \$72.00        | \$88.98         | \$16.98      | per meter       |
|  | Transmission   |                |                 |              |                 |
|  | NON-IDR        | \$0.0000       | \$0.0000        | \$0.00       | per NCP kVa     |
|  | IDR            | \$0.0000       | \$0.0000        | \$0.00       | per 4 CP kVa    |
| PRIMARY  | Distribution   | \$4.449410     | \$4.481790      | \$0.03238    | per Billing kVa |
|  | Customer       |                |                 |              |                 |
|  | NON-IDR        | \$4.51         | \$9.95          | \$5.44       | per customer    |
|  | IDR            | \$57.14        | \$49.78         | (\$7.36)     | per customer    |
|  | Metering       |                |                 |              |                 |
|  | NON-IDR        | \$284.78       | \$368.50        | \$83.72      | per meter       |
|  | IDR            | \$175.97       | \$94.06         | -\$81.91     | per meter       |
|  | Transmission   |                |                 |              |                 |
| TRANSMISSION   | NON-IDR        | \$0.0000       | \$0.0000        | \$0.00       | per NCP kVa     |
|  | IDR            | \$0.0000       | \$0.0000        | \$0.00       | per 4 CP kVa    |
|  | Distribution   | \$2.334540     | \$3.271110      | \$0.94       | per Billing kVa |
|  | Customer       | \$209.26       | \$161.68        | -\$47.58     | per customer    |
|  | Metering       | \$799.36       | \$615.98        | (\$183.38)   | per meter       |
|  | Transmission   | \$0.0000       | \$0.0000        | \$0.00       | per 4 CP kVa    |
|  | Distribution   | \$0.594950     | \$0.567260      | -\$0.03      | per 4 CP kVa    |

| CURRENT AND PROPOSED CHARGES<br>(Rider Schedules) (Not Including TCs) |                |                |                 |              |                 |
|---|----------------|----------------|-----------------|--------------|-----------------|
| CLASS   | Type of Charge | Current Charge | Proposed Charge | Inc. or Dec. | Billing Unit    |
| Residential   | RCE            | N.A            | \$0.000050      | \$0.000050   | per kWh         |
| Secondary <=10 kVa  | RCE            | N.A            | \$0.000034      | \$0.000034   | per kWh         |
| Secondary >10 kVa   | RCE            | N.A            | \$0.008245      | \$0.008245   | per Billing kVa |
| Primary   | RCE            | N.A            | \$0.006457      | \$0.006457   | per Billing kVa |
| Transmission  | RCE            | N.A            | \$0.008729      | \$0.008729   | per 4 CP kVa    |
| Street Lighting   | RCE            | N.A            | \$0.000322      | \$0.000322   | per kWh         |
| Miscellaneous Lighting  | RCE            | N.A            | \$0.000057      | \$0.000057   | per kWh         |
| Residential   | TCRF           | \$0.010833     | \$0.018286      | \$0.007453   | per kWh         |
| Secondary <=10 kVa  | TCRF           | \$0.010734     | \$0.010088      | (\$0.000646) | per kWh         |
| Secondary > 10 kVa  |                |                |                 |              |                 |
| IDR   | TCRF           | \$5.739265     | \$4.928306      | (\$0.810959) | per 4 CP Kva    |
| Non-IDR   | TCRF           | \$3.364432     | \$3.541345      | \$0.176913   | per NCP Kva     |
| Primary   |                |                |                 |              |                 |
| IDR   | TCRF           | \$4.804674     | \$5.050229      | \$0.245555   | per 4 CP Kva    |
| Non-IDR   | TCRF           | \$2.084892     | \$3.907859      | \$1.822967   | per NCP Kva     |
| Transmission  | TCRF           | \$4.735986     | \$6.494414      | \$1.758428   | per 4 CP Kva    |
| Street Lighting   | TCRF           | \$0.000000     | \$0.000000      | \$0.000000   | per kWh         |
| Miscellaneous Lighting  | TCRF           | \$0.000000     | \$0.000000      | \$0.000000   | per kWh         |
| Residential   | EECRF          | \$0.000826     | \$0.000826      | \$0.000000   | per kWh         |
| Secondary <=10 kVa  | EECRF          | \$0.003344     | \$0.003344      | \$0.000000   | per kWh         |
| Secondary > 10 kVa  | EECRF          | \$0.000538     | \$0.000538      | \$0.000000   | per kWh         |
| Primary   | EECRF          | \$0.001403     | \$0.001403      | \$0.000000   | per kWh         |
| Transmission (Non Profit)   | EECRF          | \$0.000340     | \$0.000340      | \$0.000000   | per kWh         |
| Transmission (Industrial)   | EECRF          | \$0.000000     | \$0.000000      | \$0.000000   | per kWh         |
| Lighting Service  | EECRF          | \$0.000000     | \$0.000000      | \$0.000000   | per kWh         |
| Secondary > 10 kVa  | CMC            | \$0.92         | \$2.35          | \$1.429274   | per meter       |
| Primary   | CMC            | \$0.87         | \$2.32          | \$1.446999   | per meter       |
| Transmission  | CMC            | \$1.25         | \$3.25          | \$1.997940   | per meter       |
| Residential   | TEEEF          | \$0.002392     | \$0.002392      | \$0.000000   | per kWh         |
| Secondary <=10 kVa  | TEEEF          | \$0.001403     | \$0.001403      | \$0.000000   | per kWh         |
| Secondary > 10 kVa  | TEEEF          | \$0.504912     | \$0.504912      | \$0.000000   | per Billing kVa |
| Primary   | TEEEF          | \$0.449845     | \$0.449845      | \$0.000000   | per Billing kVa |
| Transmission  | TEEEF          | \$0.000000     | \$0.000000      | \$0.000000   | per 4 CP kVa    |
| Lighting Service  | TEEEF          | \$0.002852     | \$0.002852      | \$0.000000   | per kWh         |
| Residential   | DCRF           | \$0.003963     | \$0.000000      | (\$0.003963) | per kWh         |
| Secondary <=10 kVa  | DCRF           | \$0.003781     | \$0.000000      | (\$0.003781) | per kWh         |
| Secondary > 10 kVa  | DCRF           | \$0.614230     | \$0.000000      | (\$0.614230) | per Billing kVa |
| Primary   | DCRF           | \$0.382788     | \$0.000000      | (\$0.382788) | per Billing kVa |
| Transmission  | DCRF           | \$0.014217     | \$0.000000      | (\$0.014217) | per 4 CP kVa    |
| Lighting Service  | DCRF           | \$0.079087     | \$0.000000      | (\$0.079087) | per kWh         |
| Residential   | IRA            | N.A            | \$0.000000      | \$0.000000   | per kWh         |
| Secondary <=10 kVa  | IRA            | N.A            | \$0.000000      | \$0.000000   | per kWh         |
| Secondary >10 kVa   | IRA            | N.A            | \$0.000000      | \$0.000000   | per Billing kVa |
| Primary   | IRA            | N.A            | \$0.000000      | \$0.000000   | per Billing kVa |
| Transmission  | IRA            | N.A            | \$0.000000      | \$0.000000   | per 4 CP kVa    |
| Street Lighting   | IRA            | N.A            | \$0.000000      | \$0.000000   | per kWh         |
| Miscellaneous Lighting  | IRA            | N.A            | \$0.000000      | \$0.000000   | per kWh         |
| Residential   | NDC            | \$0.000003     | \$0.000013      | \$0.000010   | per kWh         |
| Secondary <=10 kVa  | NDC            | \$0.000002     | \$0.000006      | \$0.000004   | per kWh         |
| Secondary >10 kVa   | NDC            | \$0.000606     | \$0.001460      | \$0.000853   | per Billing kVa |
| Primary   | NDC            | \$0.000576     | \$0.001622      | \$0.001046   | per Billing kVa |
| Transmission  | NDC            | \$0.000764     | \$0.004181      | \$0.003418   | per 4 CP kVa    |
| Lighting Service  | NDC            | \$0.000002     | \$0.000005      | \$0.000003   | per kWh         |

| PROPOSED CUSTOMER OWNED FIXTURES<br>STANDARD INSTALLATION FEES |                  | One Light per Pole | Two Lights per Pole | Three Lights per Pole |
|--|------------------|--------------------|---------------------|-----------------------|
| <b>High Pressure Sodium</b>                                    |                  |                    |                     |                       |
| Installations without secondary                                |                  |                    |                     |                       |
|  | 150w, 250w,      | \$325              | \$350               | \$405                 |
|  | 400w             |                    |                     |                       |
|  | 1000w            | \$370              | \$450               | \$550                 |
| Installations with 150 feet of secondary                       |                  |                    |                     |                       |
|  | 150w, 250w,      | \$425              | \$450               | \$505                 |
|  | 400w             |                    |                     |                       |
|  | 1000w            | \$470              | \$550               | \$655                 |
| <b>Light Emitting Diode</b>                                    |                  |                    |                     |                       |
| Installations without secondary                                |                  |                    |                     |                       |
|  | 40w, 100w,       | \$325              | \$350               | \$405                 |
|  | 180w             |                    |                     |                       |
|  |                  | \$370              | \$450               | \$550                 |
| Installations with 150 feet of secondary                       |                  |                    |                     |                       |
|  | 40w, 100w,       | \$425              | \$450               | \$505                 |
|  | 180w             |                    |                     |                       |
|  |                  | \$470              | \$550               | \$655                 |
| <b>Guard Light</b>   |                  |                    |                     |                       |
| Installations without secondary                                |                  |                    |                     |                       |
|  | 100w HPS         | \$325              | N/A                 | N/A                   |
| Installations with secondary                                   |                  |                    |                     |                       |
|  | 100w HPS         | \$365              | N/A                 | N/A                   |
| Installations without secondary                                |                  |                    |                     |                       |
|  | 100w LED         | \$325              | N/A                 | N/A                   |
| Installations with secondary                                   |                  |                    |                     |                       |
|  | 100w LED         | \$365              | N/A                 | N/A                   |
| <b>Roadway Light</b>   |                  |                    |                     |                       |
| Installations without secondary                                |                  |                    |                     |                       |
|  | 150w HPS         | \$335              | N/A                 | N/A                   |
| Installations with secondary                                   |                  |                    |                     |                       |
|  | 150w HPS         | \$375              | N/A                 | N/A                   |
| Installations without secondary                                |                  |                    |                     |                       |
|  | 95w LED          | \$335              | N/A                 | N/A                   |
| Installations with secondary                                   |                  |                    |                     |                       |
|  | 150w HPS 95w LED | \$375              | N/A                 | N/A                   |
| CURRENT CUSTOMER OWNED FIXTURES<br>STANDARD INSTALLATION FEES  |                  | One Light per Pole | Two Lights per Pole | Three Lights per Pole |
| <b>High Pressure Sodium</b>                                    |                  |                    |                     |                       |
| Installations without secondary                                |                  |                    |                     |                       |
|  | 150w, 250w,      | \$325              | \$350               | \$405                 |
|  | 400w             |                    |                     |                       |
|  | 1000w            | \$370              | \$450               | \$550                 |
| Installations with 150 feet of secondary                       |                  |                    |                     |                       |
|  | 150w, 250w,      | \$425              | \$450               | \$505                 |
|  | 400w             |                    |                     |                       |
|  | 1000w            | \$470              | \$550               | \$655                 |
| <b>Metal Halide</b>  |                  |                    |                     |                       |
| Installations without secondary                                |                  |                    |                     |                       |
|  | 175w, 250w,      | \$330              | \$365               | \$430                 |
|  | 400w             |                    |                     |                       |
|  | 1000w            | \$370              | \$450               | \$550                 |
| Installations with 150 feet of secondary                       |                  |                    |                     |                       |
|  | 175w, 250w,      | \$430              | \$470               | \$530                 |
|  | 400w             |                    |                     |                       |
|  | 1000w            | \$470              | \$550               | \$655                 |
| <b>Guard Light</b>   |                  |                    |                     |                       |
| Installations without secondary                                |                  |                    |                     |                       |
|  | 100w HPS         | \$325              | N/A                 | N/A                   |
| Installations with secondary                                   |                  |                    |                     |                       |
|  | 100w HPS         | \$365              | N/A                 | N/A                   |
| <b>Roadway Light</b>   |                  |                    |                     |                       |
| Installations without secondary                                |                  |                    |                     |                       |
|  | 150w HPS         | \$335              | N/A                 | N/A                   |
| Installations with secondary                                   |                  |                    |                     |                       |
|  | 150w HPS         | \$375              | N/A                 | N/A                   |

| PROPOSED CUSTOMER OWNED FIXTURES<br>EXTRAORDINARY MAINTENANCE FEE |               |
|---|---------------|
| ACTIVITY  | FEE           |
| (1) Replace a<br>vandalized shield<br>(parts and labor)           | \$125.00      |
| (2) Make adjustments<br>to the fixture<br>(labor only)            | \$125.00      |
| (3) Replace a fixture<br>(labor only)                             | \$125.00      |
| (4) Relocate a fixture<br>(labor only)                            | As Calculated |

| CURRENT CUSTOMER OWNED FIXTURES<br>EXTRAORDINARY MAINTENANCE FEE |   |
|--|---|
| ACTIVITY   | FEE   |
| (1) Replace a vandalized shield<br>(parts and labor)             | \$125.00                                      |
| (2) Make adjustments to the fixture<br>(labor only)              | \$125.00                                      |
| (3) Replace a fixture<br>(labor only)                            | \$125.00                                      |
| (4) Relocate a fixture<br>(labor only)                           | See Section 6.1.2.2,<br>Construction Services |

| Street Lights Mounted on Ornamental Standards |            |            |
|---|------------|------------|
| Company Contribution per Standard Light       |            |            |
|   | Current    | Proposed   |
|   | \$1,804.00 | \$2,370.00 |





| MISCELLANEOUS LIGHTING SERVICES CURRENT AND PROPOSED CHARGES |        |             |          |                       |          |         |          |                       |          |             |          |                       |
|--|--------|-------------|----------|-----------------------|----------|---------|----------|-----------------------|----------|-------------|----------|-----------------------|
| Lamp Type  | Lumen  | Flood Light |          | Increase/ (Reduction) |          | Roadway |          | Increase/ (Reduction) |          | Guard Light |          | Increase/ (Reduction) |
|  |        | Current     | Proposed | Current               | Proposed | Current | Proposed | Current               | Proposed |             |          |                       |
| Company Owned Fixture Charge                                 |        |             |          |                       |          |         |          |                       |          |             |          |                       |
| High Pressure Sodium   | 140000 | N/A         | N/A      | N/A                   | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| High Pressure Sodium   | 50000  | \$4.05      | \$5.48   | \$2.42                | \$2.42   | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| High Pressure Sodium   | 28000  | \$4.49      | \$5.00   | \$1.51                | \$1.51   | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| High Pressure Sodium   | 15000  | \$3.76      | \$5.51   | \$1.75                | \$4.34   | \$2.42  | \$4.34   | \$1.92                | N/A      | N/A         | N/A      | N/A                   |
| High Pressure Sodium   | 9500   | N/A         | N/A      | N/A                   | N/A      | N/A     | N/A      | N/A                   | \$2.42   | \$3.38      | \$0.96   | \$0.96                |
| Light Emitting Diode   | 15100  | N/A         | N/A      | N/A                   | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| Light Emitting Diode   | 11300  | \$4.08      | \$2.56   | (\$1.50)              | (\$1.50) | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| Light Emitting Diode   | 7900   | \$4.49      | \$2.51   | (\$1.99)              | \$4.34   | \$2.42  | \$4.34   | \$1.92                | N/A      | N/A         | N/A      | N/A                   |
| Light Emitting Diode   | 4800   | \$3.76      | \$1.26   | (\$2.50)              | N/A      | N/A     | N/A      | N/A                   | \$2.42   | \$3.38      | \$0.96   | \$0.96                |
| Mercury Vapor (No New Installations)                         |        |             |          |                       |          |         |          |                       |          |             |          |                       |
| Transmission and Distribution Charge                         | 7800   | N/A         | N/A      | N/A                   | N/A      | N/A     | N/A      | N/A                   | N/A      | \$2.43      | N/A      | N/A                   |
| High Pressure Sodium   |        |             |          |                       |          |         |          |                       |          |             |          |                       |
| High Pressure Sodium   | 140000 | \$5.94      | \$3.78   | (\$3.16)              | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| High Pressure Sodium   | 50000  | \$3.69      | \$3.46   | (\$0.23)              | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| High Pressure Sodium   | 28000  | \$4.12      | \$3.18   | (\$0.94)              | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| High Pressure Sodium   | 15000  | \$3.39      | \$2.89   | (\$0.50)              | \$2.30   | \$2.30  | \$2.36   | \$0.06                | N/A      | N/A         | N/A      | N/A                   |
| High Pressure Sodium   | 9500   | N/A         | N/A      | N/A                   | N/A      | N/A     | N/A      | N/A                   | \$2.29   | \$1.80      | (\$0.49) | (\$0.49)              |
| Metal Halide   |        |             |          |                       |          |         |          |                       |          |             |          |                       |
| Metal Halide   | 104500 | \$13.44     | \$7.33   | (\$6.11)              | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| Metal Halide   | 32200  | \$6.96      | \$3.88   | (\$3.08)              | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| Metal Halide   | 19475  | \$17.08     | \$9.61   | (\$7.47)              | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| Metal Halide   | 12900  | \$9.24      | \$5.11   | (\$4.13)              | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| Light Emitting Diode   |        |             |          |                       |          |         |          |                       |          |             |          |                       |
| Light Emitting Diode   | 15100  | \$6.94      | \$2.89   | (\$4.05)              | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| Light Emitting Diode   | 11300  | \$3.69      | \$2.90   | (\$0.79)              | N/A      | N/A     | N/A      | N/A                   | N/A      | N/A         | N/A      | N/A                   |
| Light Emitting Diode   | 7900   | \$4.12      | \$2.84   | (\$1.28)              | \$2.30   | \$2.30  | \$2.36   | \$0.06                | N/A      | N/A         | N/A      | N/A                   |
| Light Emitting Diode   | 4800   | \$3.39      | \$0.66   | (\$2.73)              | N/A      | N/A     | N/A      | N/A                   | \$2.29   | \$1.80      | (\$0.49) | (\$0.49)              |
| Mercury Vapor (No New Installations)                         |        |             |          |                       |          |         |          |                       |          |             |          |                       |
| Transmission and Distribution Charge                         | 7800   | N/A         | N/A      | N/A                   | N/A      | N/A     | N/A      | N/A                   | N/A      | \$1.24      | N/A      | N/A                   |

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
RATE DESIGN - DISCRETIONARY CHARGES  
FOR THE YEAR ENDING DECEMBER 31, 2023

Sponsor: J. Durland

| DISCRETIONARY CHARGES – Other Than Construction<br>(Comparison of Current and Proposed Charges)   |  |  |      |
|---|--|--|------|
| Description of Charge   | Current Charge                         | Proposed Charge                        | Note |
| <b>Connection Charges: (Move-in):</b>   |  |  |      |
| <b>Standard Meter Move-in</b><br>Existing Standard Meter : Premise with remote/disconnect connect capability  | No Charge                              | No Charge                              |      |
| <b>Non-Standard Meter Move-in</b>   |  |  |      |
| Self Contained Meter (new)  | \$ 192.00                              | \$ 213.00                              |      |
| Self Contained Meter (existing)   | \$ 144.00                              | \$ 160.00                              |      |
| Current Transformer (CT)/Other Meter (new)  | \$ 465.00                              | \$ 518.00                              |      |
| CT/Other Meter (existing)   | \$ 216.00                              | \$ 240.00                              |      |
| <b>AMS-M Meter Move-in</b>  |  |  |      |
| Self Contained Meter (new)  | \$ 192.00                              | \$ 213.00                              |      |
| Self Contained Meter (existing)   | \$ 144.00                              | \$ 160.00                              |      |
| CT/Other Meter (new)  | \$ 465.00                              | \$ 518.00                              |      |
| CT/Other Meter (existing)   | \$ 216.00                              | \$ 240.00                              |      |
| <b>Standard Meter Move-in</b><br>New Standard Meter : Premise with remote/disconnect connect capability   | No Charge                              | \$ 213.00                              |      |
| <b>Non-Standard Meter Priority Move-in</b>  |  |  |      |
| Self Contained Meter (existing)   | \$ 150.00                              | \$ 171.00                              |      |
| CT/Other Meter (existing)   | \$ 224.00                              | \$ 255.00                              |      |
| <b>AMS-M Meter Priority Move-in</b>   |  |  |      |
| Self Contained Meter (existing)   | \$ 150.00                              | \$ 171.00                              |      |
| CT/Other Meter (existing)   | \$ 224.00                              | \$ 255.00                              |      |
| <b>Disconnection Charges (Move-out):</b>  |  |  |      |
| <b>Standard Meter Move-out</b><br>Existing Standard Meter : Premise with remote/disconnect connect capability   | Charge included in the move-in charge. | Charge included in the move-in charge. |      |
| <b>Non-Standard Meter Move-out</b><br>Existing Non-Standard Meter (includes premises with an IDR Meter, but excluding premises with an AMS-M Meter) and premises with unmetered services: Requires dispatch of personnel to premises. | Charge included in the move-in charge. | Charge included in the move-in charge. |      |
| <b>AMS-M Meter Move-out</b><br>discretionary services without dispatching personnel but lacks remote connect/disconnect   | Charge included in the move-in charge. | Charge included in the move-in charge. |      |
| <b>Customer Requested Clearance</b>   |  |  |      |
| With 3 business days notice (Residential)   | As Calculated                          | As Calculated                          |      |
| With 3 business days notice (Non-Residential)   | As Calculated                          | As Calculated                          |      |
| With less than 3 business days notice   | As Calculated                          | As Calculated                          |      |

| <b>Disconnect/Reconnect for Non-Pay Charges (DNP):</b>             |           |           |  |
|--|-----------|-----------|--|
| <b>Disconnect: Standard Meter</b>                                  |           |           |  |
| At Meter (DNP) : Premise with remote/disconnect connect capability | No Charge | No Charge |  |
| Premium Location (DNP)   | \$ 81.00  | \$ 90.00  |  |
| <b>Disconnect: Non-Standard Meter</b>                              |           |           |  |
| At Meter (DNP): Dispatch personnel                                 | \$ 34.00  | \$ 38.00  |  |
| Premium Location (DNP)   | \$ 99.00  | \$ 110.00 |  |
| <b>Disconnect: AMS-M Meter</b>                                     |           |           |  |
| At Meter (DNP): lacks remote connect/disconnect capabilities.      | \$ 60.00  | \$ 67.00  |  |
| Premium Location (DNP)   | \$ 99.00  | \$ 110.00 |  |
| <b>Reconnect After DNP: Standard Meter</b>                         |           |           |  |
| At Meter - Premise with remote/disconnect connect capability       | No Charge | No Charge |  |
| Premium Location (DNP): Standard Reconnect                         | \$ 94.00  | \$ 109.00 |  |
| Premium Reconnect - Same Day or Weekend                            | \$ 129.00 | \$ 150.00 |  |
| Premium Reconnect - Holiday  | \$ 170.00 | \$ 198.00 |  |
| <b>Reconnect After DNP: Non-Standard Meter</b>                     |           |           |  |
| At Meter (DNP): Dispatch personnel                                 | \$ 34.00  | \$ 38.00  |  |
| Standard Reconnect - Same Day or Weekend                           | \$ 85.00  | \$ 103.00 |  |
| Standard Reconnect - Holiday                                       | \$ 170.00 | \$ 198.00 |  |
| Premium Location (DNP): Standard Reconnect                         | \$ 109.00 | \$ 125.00 |  |
| Premium Reconnect - Same Day or Weekend                            | \$ 129.00 | \$ 150.00 |  |
| Premium Reconnect - Holiday  | \$ 170.00 | \$ 198.00 |  |
| <b>Reconnect After DNP: AMS-M Meter</b>                            |           |           |  |
| At Meter (DNP): lacks remote connect/disconnect capabilities.      | \$ 60.00  | \$ 67.00  |  |
| Standard Reconnect - Same Day or Weekend                           | \$ 129.00 | \$ 150.00 |  |
| Standard Reconnect - Holiday                                       | \$ 170.00 | \$ 198.00 |  |
| Premium Location (DNP): Standard Reconnect                         | \$ 109.00 | \$ 125.00 |  |
| Premium Reconnect - Same Day or Weekend                            | \$ 256.00 | \$ 300.00 |  |
| Premium Reconnect - Holiday  | \$ 339.00 | \$ 396.00 |  |
| <b>Meter Test Charge:</b>  |           |           |  |
| <b>Standard Meter: Co. Owned</b>                                   |           |           |  |
| First test in last four years                                      | No Charge | No Charge |  |
| Found outside of accuracy standards                                | No Charge | No Charge |  |
| All other  | \$ 48.00  | \$ 54.00  |  |
|  | \$ 149.00 | \$ 167.00 |  |
| <b>Standard Meter: Competitive Meter</b>                           |           |           |  |
| <b>Non-Standard: Self Contained/Co. Owned</b>                      |           |           |  |
| First test in last four years                                      | No Charge | No Charge |  |
| Found outside of accuracy standards                                | No Charge | No Charge |  |
| All other  | \$ 48.00  | \$ 54.00  |  |
| <b>Non-Standard: CT/Other/Co. Owned</b>                            |           |           |  |
| First test in last four years                                      | No Charge | No Charge |  |
| Found outside of accuracy standards                                | No Charge | No Charge |  |
| All other  | \$ 120.00 | \$ 133.00 |  |
|  | \$ 149.00 | \$ 167.00 |  |
| <b>Non-Standard: Competitive Meter</b>                             |           |           |  |
| <b>AMS-M Meter: Self Contained/Co. Owned</b>                       |           |           |  |
| First test in last four years                                      | No Charge | No Charge |  |
| Found outside of accuracy standards                                | No Charge | No Charge |  |
| All other  | \$ 48.00  | \$ 54.00  |  |
| <b>AMS-M Meter: CT/Other/Co. Owned</b>                             |           |           |  |
| First test in last four years                                      | No Charge | No Charge |  |
| Found outside of accuracy standards                                | No Charge | No Charge |  |
| All other  | \$ 120.00 | \$ 133.00 |  |
| <b>AMS-M Meter: Competitive Meter</b>                              | \$ 149.00 | \$ 167.00 |  |

| <b>Meter Read Charges:</b>  |           |           |  |
|---|-----------|-----------|--|
| <b>Standard Switch: Standard Meter</b><br>Competitive Retailer Switch: Not requested by retail customer     | No Charge | No Charge |  |
| <b>Re-Read: Non-Standard Meter</b><br>Inaccurate meter reading  | No Charge | No Charge |  |
| Accurate meter reading Non-IDR  | \$ 21.00  | \$ 26.00  |  |
| <b>Standard Switch: AMS-M Meter</b><br>Competitive Retailer Switch: Not requested by retail customer        | No Charge | No Charge |  |
| <b>Self Selected Switch: Standard Meter</b><br>Competitive Retailer Switch on date certain                  | No Charge | No Charge |  |
| <b>Standard Switch: Non-Standard Meter</b><br>Competitive Retailer Switch: Not requested by retail customer | No Charge | No Charge |  |
| <b>Self Selected Switch: AMS-M Meter</b><br>Competitive Retailer Switch on date certain                     | No Charge | No Charge |  |
| Purpose of a mass transition  | No Charge | No Charge |  |
| <b>Self Selected Switch: Non-Standard Meter</b><br>Competitive Retailer Switch on date certain              | \$ 21.00  | \$ 26.00  |  |
| <b>Non-Standard Meter - Opt Out Recurring Fee</b>   | \$ 40.00  | \$ 51.00  |  |
| <b>Non-Standard Meter Installation Charges:</b>   |           |           |  |
| <b>Non-Standard Metering Service One Time Fee: Standard Meter</b>   |           |           |  |
| Existing Analog Meter   | \$ 85.00  | \$ 93.00  |  |
| New Analog Meter (if available)   | \$ 190.00 | \$ 210.00 |  |
| Digital Non-Communicating Meter   | \$ 200.00 | \$ 220.00 |  |
| Advanced Meter with Communication disabled  | \$ 180.00 | \$ 200.00 |  |
| <b>Non-Standard: Switch</b><br>Unable to Access Meter due to denial by retail customer                      | \$ 21.00  | \$ 26.00  |  |
| <b>Non-Standard Metering Service One Time Fee: AMS-M Meter</b>  |           |           |  |
| Existing Analog Meter   | \$ 85.00  | \$ 93.00  |  |
| New Analog Meter (if available)   | \$ 190.00 | \$ 210.00 |  |
| Digital Non-Communicating Meter   | \$ 200.00 | \$ 220.00 |  |
| Advanced Meter with Communication disabled  | \$ 180.00 | \$ 200.00 |  |

|  |   |   |  |
|--|---|---|--|
| <b>Service Call Charges</b>                          |   |   |  |
| <b>Service Call Charge</b>                           |   |   |  |
| Business Days and All Other Times                    | \$ 109.00   | \$ 125.00   |  |
| <b>Tampering and Related Charges:</b>                |   |   |  |
| Tampering  | As Calculated   | As Calculated   |  |
| Broken Meter Seal                                    | \$ 40.00  | \$ 51.00  |  |
| <b>Outdoor Lighting Charges:</b>                     |   |   |  |
| Security Light Repair                                | As Calculated   | As Calculated   |  |
| Security Light Removal                               | As Calculated   | As Calculated   |  |
| Street Light Removal                                 | As Calculated   | As Calculated   |  |
| <b>Denial of Access:</b>                             |   |   |  |
| Inaccessible Meter Charge                            | \$ 55.00  | \$ 55.00  |  |
| Denial of Access to Company's Delivery System        | As Calculated   | As Calculated   |  |
| <b>Additional Discretionary Charges:</b>             |   |   |  |
| <b>Meter Test Charges:</b>                           |   |   |  |
| <b>Competitive Meter - Communication Diagnostics</b> |   |   |  |
| Self-contained                                       | \$ 80.00  | \$ 88.00  |  |
| Transformer Rated                                    | \$ 80.00  | \$ 88.00  |  |
| <b>Non-Standard Meter Installation Charges:</b>      |   |   |  |
| <b>Advanced Billing Meter Installation</b>           | \$232, plus incremental cost between a standard meter and the advanced meter, plus additional charges for services related to advanced capabilities | \$258, plus incremental cost between a standard meter and the advanced meter, plus additional charges for services related to advanced capabilities |  |
| <b>Advanced Non-Billing Meter Installation</b>       | \$232, plus the additional charges for services related to advanced capabilities  | \$258, plus the additional charges for services related to advanced capabilities  |  |
| <b>Pulse Metering Equipment- Installation</b>        |   |   |  |
| No current pulse meter exists                        | \$ 290.00   | \$ 367.00   |  |
| One Relay  | \$ 392.00   | \$ 440.00   |  |
| Two Relays   | \$ 584.00   | \$ 659.00   |  |
| Three Relays   | \$ 746.00   | \$ 814.00   |  |
| <b>Pulse Metering Equipment- Replacement</b>         |   |   |  |
| One Relay  | \$ 278.00   | \$ 317.00   |  |
| One Pulse Meter                                      | \$ 224.00   | \$ 243.00   |  |
| One Relay and One Pulse Meter                        | \$ 425.00   | \$ 474.00   |  |
| Additional Relays - Same Trip                        | \$ 199.00   | \$ 229.00   |  |
| Fuses  | \$ 61.00  | \$ 68.00  |  |
| Problem with Customer's Equipment                    | \$ 61.00  | \$ 68.00  |  |
| <b>Competitive Meter - Non-Standard Programming</b>  |   |   |  |
| Self-contained (field prog.)                         | \$ 103.00   | \$ 114.00   |  |
| Self-contained (shop prog.)                          | \$ 59.00  | \$ 65.00  |  |
| Transformer rated (field prog.)                      | \$ 103.00   | \$ 114.00   |  |
| Transformer rated (shop prog.)                       | \$ 59.00  | \$ 65.00  |  |

|  |               |               |  |
|--|---------------|---------------|--|
| <b>Service Call Charges:</b>                               |               |               |  |
| URD By-Pass Cable Installation Charge                      | \$ 476.00     | \$ 531.00     |  |
| Unmetered Service Attachments                              | As Calculated | As Calculated |  |
| <b>Other Charges:</b>                                      |               |               |  |
| Returned Check   | \$ 10.50      | \$ 10.50      |  |
| <b>Voltage Monitoring</b>                                  |               |               |  |
| No problem with Company's equipment                        | \$ 1,392.00   | \$ 1,461.00   |  |
| <b>Damage to Company Facilities</b>                        |               |               |  |
| Proposed Addition to Other Charges                         | As Calculated | As Calculated |  |
| <b>Adverse Effects and Improper Power Factor</b>           |               |               |  |
| Proposed Addition to Other Charges                         | As Calculated | As Calculated |  |
| <b>Provision of Retail Customer Data</b>                   |               |               |  |
| Proposed Addition to Other Charges                         | As Calculated | As Calculated |  |
| <b>Customer Required Upgrade to Delivery System</b>        |               |               |  |
| Proposed Addition to Other Charges                         | As Calculated | As Calculated |  |
| <b>Temporary Service Connection</b>                        |               |               |  |
|  | \$ 354.00     | \$ 399.00     |  |
| <b>Disconnect for Inaccessibility to Company Metering</b>  |               |               |  |
| <b>Proposed Addition to Other Charges</b>                  |               |               |  |
| At Meter   | \$ 59.00      | \$ 66.00      |  |
| At Premium Location  | \$ 100.00     | \$ 111.00     |  |
| <b>Miscellaneous - Retail Customer Caused Charges</b>      |               |               |  |
| Proposed Addition to Other Charges                         | As Calculated | As Calculated |  |
| <b>Miscellaneous - Other Charges</b>                       |               |               |  |
| Other  | As Calculated | As Calculated |  |
| <b>Distributed Generation Meter Installation Charge</b>    |               |               |  |
|  | As Calculated | As Calculated |  |
| <b>Transmission Scheduling Outage Charges</b>              |               |               |  |
|  | As Calculated | As Calculated |  |
| <b>Competitive Metering Installation and Removal</b>       |               |               |  |
| <b>Competitive Meter Remove/Install</b>                    |               |               |  |
| Self-Contained Meter                                       | \$ 93.00      | \$ 103.00     |  |
| Transformer Rated Meter                                    | \$ 143.00     | \$ 160.00     |  |
| <b>Competitive Meter Physical Access Equipment Install</b> |               |               |  |
| Performed During Initial Meter Install                     | \$ 73.00      | \$ 73.00      |  |
| Performed After Initial Install                            | \$ 90.00      | \$ 90.00      |  |

## **Non-Rate Tariff Change Summary**

### **Tariff For Retail Delivery Service**

#### **Table of Contents Changes**

Updated to reflect the deletion of expired and redundant Chapter 6 tariff sheets, the reordering and renumbering of some Chapter 6 sections and the addition of a new Rider IRA.

#### **Chapter 6 Changes**

#### **6.1.1.1 Charges for Distribution and Transmission System Service.**

##### **6.1.1.1.1 Residential Service.**

###### **II. Transition Charge:**

- Removed TC2, TC3 and SRC

###### **V. Other Charges or Credits:**

- Removed letter D. Accumulated Deferred Federal Income Tax Credit
- Letter D. becomes Rider DCRF, Letter E. becomes Rider TEEEF and Letter F. becomes Rider IRA

##### **6.1.1.1.2 Secondary Service < 10.**

###### **II. Transition Charge:**

- Removed TC2, TC3 and SRC

###### **V. Other Charges or Credits:**

- Removed letter D. Accumulated Deferred Federal Income Tax Credit
- Letter D. becomes Rider DCRF, Letter E. becomes Rider TEEEF and Letter F. becomes Rider IRA

##### **6.1.1.1.3 Secondary Service > 10.**

###### **I. Transmission and Distribution Charges:**

- Added "IDR or IDR Capable AMS"

###### **II. Transition Charge:**

- Removed TC2, TC3 and SRC

###### **V. Other Charges or Credits:**

- Removed letter D. Accumulated Deferred Federal Income Tax Credit
- Letter D. becomes Rider DCRF, Letter E. becomes Rider TEEEF and Letter F. becomes Rider IRA

###### **TERMS OF SERVICE:**

- Added "IDR or IDR Capable AMS"



**6.1.1.1.4 Primary Service.**

**I. Transmission and Distribution Charges:**

- Added “IDR or IDR Capable AMS”

**II. Transition Charge:**

- Removed TC2, TC3 and SRC

**V. Other Charges or Credits:**

- Removed letter D. Accumulated Deferred Federal Income Tax Credit
- Letter D. becomes Rider DCRF, Letter E. becomes Rider TEEEF and Letter F. becomes Rider IRA

**TERMS OF SERVICE:**

- Added “IDR or IDR Capable AMS”

**6.1.1.1.5 Transmission Service.**

**II. Transition Charge:**

- Removed TC2 and TC3

**V. Other Charges or Credits:**

- Added Letter F. Rider IRA
- Added Letter G. Customer Load Study Charge – For conducting a load study for retail customers with a new load or load addition of 10 MW or more.

**6.1.1.1.6 Lighting Services.**

**STREET LIGHTING SERVICE and MISCELLANEOUS LIGHTING SERVICE.**

**Type of Service:**

- Added language that the Company’s standard lamp type is LED. A non-standard lamp type will be subject to availability because the Company is no longer procuring non-standard lamp types.

**I. Transmission and Distribution Charges:**

- Added Mercury Vapor Guard Lighting

**II. Transition Charge:**

- Removed TC2, TC3 and SRC

**V. Other Charges or Credits:**

- Removed letter D. Accumulated Deferred Federal Income Tax Credit
- Letter D. becomes Rider DCRF, Letter E. becomes Rider TEEEF and Letter F. becomes Rider IRA

**6.1.1.2 Schedule TC**

**6.1.1.2.2 Schedule TC2-Transition Charges.**

- Deleted in its entirety.

**6.1.1.2.3 Schedule TC3-Transition Charges.**

- Deleted in its entirety.

**6.1.1.2.4 Schedule SRC-System Restoration Charges.**

- Deleted in its entirety.

**6.1.1.6 Other Charges**

**6.1.1.6.3 Rider TCRF – Transmission Cost Recovery Factor.**

- Added “IDR or IDR Capable AMS”

**6.1.1.6.7 Rider CERP – COVID-19 Electricity Relief Program.**

- Deleted in its entirety.

**6.1.1.6.10 Rider ADFITC-Accumulated Deferred Income Tax Credit.**

- Deleted in its entirety.

**6.1.1.6.10 Rider IRA – Inflation Reduction Act 2022.**

- New added rider.

**6.1.1.6.12 Rider Remand – Remand of EECRF Surcharge.**

- Deleted in its entirety.

**6.1.2 Discretionary Service Charges**

**6.1.2.2 Construction Services Policy and Charges.**

**Section 1: Introduction**

- Deleted the word “nonrefundable.”

**Section 2: Facility Extensions to Permanent Retail Customer Electrical Installations**

**Subsection 2.3 – Transmission Voltage Facility Extensions**

- Added the phrase “or Specification for Customer-Owned 345 kV Substation Design, whichever is applicable.”

**6.1.2.3 Discretionary Charges Other Than Construction Services Charges.**

**6.1.2.3.3 Premium Service – Rate PS.**

- Added the phrase “or operate equipment located at or past the Retail Customer’s Point of Delivery that may impact the safe and reliable operation of the Company’s Delivery System.”
- Added the phrase “Premium Service includes installation of equipment and modification or extension of facilities needed, in Company’s sole judgement, to ensure the safe and reliable operation of the Company’s Delivery System due to equipment located at or past the Retail Customer’s Point of Delivery whose operations may impact the Company’s Delivery System.”

#### **6.1.2.4 Distributed Generation Service – Rate DGS**

- Added Pre-Screen Study Fees to table for DG from 500 to 10,000kW.
- Added new table for Pre-Screen Study Fees and Interconnection Study Fees for distributed energy resource (DER) systems with interconnection capacity > 10,000kW up to 30,000kW and for DER systems that participate in the Wholesale Delivery Services (WDS) with interconnection capacity up to 10,000kW.

### **6.2 Company Specific Terms & Conditions**

#### **6.2.3 Additional Company Specific Terms and Conditions.**

- Added clarifying language to provision, No. 5, pertaining to temporary emergency electric energy.

### **6.3 Agreements and Forms**

#### **6.3.4.6 Premium Service Agreement.**

##### **Premium Service Study Agreement**

- Added the phrase “or requires the installation of equipment and modification or extension of facilities.”
- Added the phrase “or customers that operate certain equipment that may affect the Delivery System.”

##### **Premium Service Agreement**

- Added the phrase “or requires the installation of equipment and modification or extension of facilities.”
- Added the phrase “or customers that operate certain equipment that may affect the Delivery System.”

### **Tariff For Wholesale Delivery Service**

#### **Table of Contents Changes**

Updated to reflect the addition of Rider WDIRA – Wholesale Distribution Inflation Reduction Act 2022 and Rider WTIRA – Wholesale Transmission Inflation Reduction Act 2022.

#### **Section 4.4. Rider WDIRA – Wholesale Distribution Inflation Reduction Act 2022**

- New added rider

**Section 4.5. Rider WTIRA – Wholesale Transmission Inflation Reduction Act 2022**

- New added rider

# **TARIFF FOR RETAIL DELIVERY SERVICE**

**CenterPoint Energy Houston Electric, LLC  
1111 LOUISIANA  
P. O. BOX 1700  
HOUSTON, TEXAS 77251**

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**CHAPTER 6: COMPANY SPECIFIC ITEMS**

**6.1 RATE SCHEDULES**

**6.1.1 DELIVERY SYSTEM CHARGES**

**6.1.1.1 CHARGES FOR TRANSMISSION AND DISTRIBUTION SYSTEM SERVICE**

**6.1.1.1.1 RESIDENTIAL SERVICE**

**AVAILABILITY**

This schedule is available to Retail Customers requesting Delivery Service for Residential Purposes when such Delivery Service is to one Point of Delivery and measured through one Meter and, except as otherwise provided in this Rate Schedule, is not for shared or resale purposes.

**MONTHLY RATE**

**I. Transmission and Distribution Charges:**

|                            |  |                               |
|----------------------------|--|-------------------------------|
| Customer Charge            | <del>\$2.30</del> <u>\$2.16</u>            | per Retail Customer per Month |
| Metering Charge            | <del>\$2.09</del> <u>\$2.77</u>            | per Meter per Month           |
| Transmission System Charge | \$0.00                                     | per kWh                       |
| Distribution System Charge | <del>\$0.020314</del><br><u>\$0.026100</u> | per kWh                       |

**II. Transition Charge:** See Schedules ~~TC2, TC3, SRC, and TC5~~

**III. Nuclear Decommissioning Charge:** See Rider NDC

**IV. Transmission Cost Recovery Factor:** See Rider TCRF

**V. Other Charges or Credits:**

|  |  |                             |
|--|--|-----------------------------|
| A. Municipal Account Franchise Credit<br>(see application and explanation below) | <del>(\$0.001756)</del><br><u>(\$0.001767)</u> | per kWh                     |
| B. Rate Case Expenses Surcharge  |  | See Rider RCE               |
| C. Energy Efficiency Cost<br>Recovery Factor                                     |  | See Rider EECRF             |
| <del>D. Accumulated Deferred Federal<br/>Income Tax Credit</del>                 |  | <del>See Rider ADFITC</del> |
| <u>D.E</u> Distribution Cost Recovery Factor                                     |  | See Rider DCRF              |

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E.F. Temporary Emergency Electric Energy  
Facilities

See Rider TEEEF

F. Inflation Reduction Act 2022

See Rider IRA

**TERMS OF SERVICE**

Type of Service. The standard Delivery Service under this Rate Schedule will be single-phase, 60 hertz, at the Company's standard Secondary Distribution Voltage level for this type of service as described in Section 6.2.2 of this Tariff and in the Company's Service Standards. Three-phase service is generally not available for Residential Purposes. Retail Customers desiring three-phase service for Residential Purposes should check with a Company representative to determine if three-phase service is available. Facilities for three-phase service under this Rate Schedule are Non-Standard Facilities as defined in the Company's Construction Services Policy.

Metering Equipment. Delivery Service under this Rate Schedule will be metered using Company's Standard Meter provided for this type of Delivery Service. Any other metering option(s) requested by Retail Customer will be provided at an additional charge and/or will be provided by a Meter Owner other than the Company pursuant to Applicable Legal Authorities.

Construction Services. Where Construction Services are required to initiate Delivery Service under this Rate Schedule, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff.

Residential Service to Multiple Dwellings. Where more than four Individual Private Dwellings in an apartment or other residential building are served through one Meter, billing will be under the applicable non-residential Rate Schedule.

Municipal Account Franchise Credit. A credit equal to the amount of franchise fees included in the Transmission and Distribution Charges will be applied to municipal accounts receiving service within the incorporated limits of such municipality which imposes a municipal franchise fee upon the Company based on the kWh delivered within that municipality and who have signed an appropriate Franchise Agreement.

Reclassification for Non-Residential Purposes. If the Company determines that a significant portion of the Delivery Service provided under this Residential Service Rate Schedule is used for non-Residential Purposes, then the appropriate non-residential Rate Schedule shall be applicable to all the Delivery Service provided. However, if the Retail Customer's wiring is so arranged that the Delivery Service for Residential Purposes and for non-Residential Purposes can be metered

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separately, this Residential Service Rate Schedule will remain applicable to the portion that is metered separately for Residential Purposes.

On-Site Generation. Delivery Service under this Rate Schedule to a Retail Customer with on-site distributed generation (as defined in section 25.211 of the Commission's rules) may also be subject to the terms, conditions, fees and charges set out in Section 6.1.2.4 of this Tariff, regarding the interconnection and parallel operation of distributed generation.

**NOTICE**

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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**6.1.1.1.2 SECONDARY SERVICE LESS THAN OR EQUAL TO 10 KVA**

**AVAILABILITY**

This schedule is available to Retail Customers requesting Delivery Service for non-Residential Purposes at Secondary Distribution Voltage levels with a peak demand less than or equal to 10 kVA when such Delivery Service is to one Point of Delivery and measured through one Meter and is not for shared or resale purposes. This schedule is also available to Retail Customers requesting Unmetered Services other than Lighting Services.

**MONTHLY RATE**

**I. Transmission and Distribution Charges:**

|                            |  |                               |
|----------------------------|--|-------------------------------|
| Customer Charge            | <del>\$2.26</del> <u>\$2.22</u>            | per Retail Customer per Month |
| Metering Charge            | <del>\$2.32</del> <u>\$3.02</u>            | per Meter per Month           |
| Transmission System Charge | \$0.00                                     | per kWh                       |
| Distribution System Charge | <del>\$0.015504</del><br><u>\$0.016460</u> | per kWh                       |

**II. Transition Charge:** See Schedules ~~TC2, TC3, SRC,~~ and TC5

**III. Nuclear Decommissioning Charge:** See Rider NDC

**IV. Transmission Cost Recovery Factor:** See Rider TCRF

**V. Other Charges or Credits:**

|  |  |                             |
|--|--|-----------------------------|
| A. Municipal Account Franchise Credit<br>(see application and explanation below) | <del>(\$0.002060)</del><br><u>(\$0.002023)</u> | per kWh                     |
| B. Rate Case Expenses Surcharge  |  | See Rider RCE               |
| C. Energy Efficiency Cost Recovery Factor  |  | See Rider EECRF             |
| <del>D. Accumulated Deferred Federal<br/>Income Tax Credit</del>                 |  | <del>See Rider ADFITC</del> |
| <u>D.E.</u> Distribution Cost Recovery Factor                                    |  | See Rider DCRF              |
| <u>E.F.</u> Temporary Emergency Electric Energy<br>Facilities                    |  | See Rider TEEEF             |

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F. Inflation Reduction Act 2022

See Rider IRA

**TERMS OF SERVICE**

Type of Service. The standard Delivery Service under this Rate Schedule will be single-phase, 60 hertz, at the Company's standard Secondary Distribution Voltage level for this type of service as described in Section 6.2.2 of this Tariff and in the Company's Service Standards. Facilities for three-phase service under this Rate Schedule are Non-Standard Facilities as defined in the Company's Construction Services Policy.

Metering Equipment. Except for Unmetered Service described below, Delivery Service under this Rate Schedule will be metered using Company's Standard Meter provided for this type of Delivery Service. Any other metering option(s) requested by Retail Customer will be provided at an additional charge and/or will be provided by a Meter Owner other than the Company pursuant to Applicable Legal Authorities.

Construction Services. Where Construction Services are required to initiate Delivery Service under this Rate Schedule, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff.

Peak Demand Requirement. This Rate Schedule is applicable only to Retail Customers whose peak demand for the current month is 10 kVA or less, as measured in the Retail Customer's fifteen-minute period of highest demand, and whose peak demand has not exceeded 10 kVA in any of the previous eleven months. If, after taking Delivery Service under this Rate Schedule, Retail Customer's monthly peak demand is greater than 10 kVA, Retail Customer will be placed on the *Secondary Service Greater Than 10 kVA* Rate Schedule for a period of not less than twelve months.

Municipal Account Franchise Credit. A credit equal to the amount of franchise fees included in the Transmission and Distribution Charges will be applied to municipal accounts receiving service within the incorporated limits of such municipality which imposes a municipal franchise fee upon the Company based on the kWh delivered within that municipality and who have signed an appropriate Franchise Agreement.

Unmetered Service. Unmetered Service is available under this Rate Schedule for non-residential, non-lighting Delivery Service at the discretion of the Company, Competitive Retailer, and Retail Customer, in limited situations when metering equipment is impractical or disproportionately expensive, and when the Retail Customer's electric load can be reasonably estimated or predicted from the nameplate or engineering studies of the installed equipment. Special protective devices may be required to be installed and/or paid for by customer. Provision of Unmetered Service under this Rate Schedule will require an agreement that includes certification by Retail Customer on at least an annual basis of the number of installed devices and specific location of each device.

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Company will calculate billing determinants for Unmetered Service based on a 100 percent load factor. These billing determinants are applied to all charges included in this Rate Schedule, except that the "Metering Charge" contained in the monthly rate is not applicable to Unmetered Service under this Rate Schedule.

On-Site Generation. Delivery Service under this Rate Schedule to a Retail Customer with on-site distributed generation (as defined in section 25.211 of the Commission's rules) may also be subject to the terms, conditions, fees and charges set out in Section 6.1.2.4 of this Tariff, regarding the interconnection and parallel operation of distributed generation.

### **NOTICE**

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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**6.1.1.1.3 SECONDARY SERVICE GREATER THAN 10 KVA**

**AVAILABILITY**

This schedule is available to Retail Customers requesting Delivery Service for non-Residential Purposes at Secondary Distribution Voltage levels with a peak demand greater than 10 kVA when such Delivery Service is to one Point of Delivery and measured through one Meter; except that, at Company's option, locations where the Retail Customer's Electrical Installation or Premises has multiple connections to Company's Delivery System, due to Company facility limitations or design criteria, may be considered one Point of Delivery for billing purposes.

**MONTHLY RATE**

**I. Transmission and Distribution Charges:**

Customer Charge

|                                       |                                   |                               |
|---------------------------------------|-----------------------------------|-------------------------------|
| Non-IDR Metered                       | <del>\$3.00</del> <u>\$3.23</u>   | per Retail Customer per Month |
| <u>IDR or IDR Capable AMS</u> Metered | <del>\$44.95</del> <u>\$40.50</u> | per Retail Customer per Month |

Metering Charge

|                                       |                                   |                     |
|---------------------------------------|-----------------------------------|---------------------|
| Non-IDR Metered                       | <del>\$7.41</del> <u>\$9.56</u>   | per Meter per Month |
| <u>IDR or IDR Capable AMS</u> Metered | <del>\$72.00</del> <u>\$88.98</u> | per Meter per Month |

Transmission System Charge

|                                       |        |             |
|---------------------------------------|--------|-------------|
| Non-IDR Metered                       | \$0.00 | per NCP kVA |
| <u>IDR or IDR Capable AMS</u> Metered | \$0.00 | per 4CP kVA |

|                            |  |                 |
|----------------------------|--|-----------------|
| Distribution System Charge | <del>\$4.44</del> <u>\$4.10</u><br><del>\$4.81</del> <u>\$7.90</u> | per Billing kVA |
|----------------------------|--|-----------------|

**II. Transition Charge:**

See Schedules ~~TC2, TC3,~~  
~~SRC,~~ and TC5

**III. Nuclear Decommissioning Charge:**

See Rider NDC

**IV. Transmission Cost Recovery Factor:**

See Rider TCRF

**V. Competitive Metering Credit:**

See Rider CMC

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**VI. Other Charges or Credits:**

|  |  |                             |
|--|--|-----------------------------|
| A. Municipal Account Franchise Credit<br>(see application and explanation below) | <del>(\$0.897049)</del><br><u>(\$0.644820)</u> | per Billing kVA             |
| B. Rate Case Expenses Surcharge  |  | See Rider RCE               |
| C. Energy Efficiency Cost Recovery Factor  |  | See Rider EECRF             |
| <del>D. Accumulated Deferred Federal<br/>Income Tax Credit</del>                 |  | <del>See Rider ADFITC</del> |
| <del>D.E.</del> Distribution Cost Recovery Factor                                |  | See Rider DCRF              |
| <del>E.F.</del> Temporary Emergency Electric Energy<br>Facilities                |  | See Rider TEEEF             |
| F. Inflation Reduction Act 2022  |  | See Rider IRA               |

**TERMS OF SERVICE**

DETERMINATION OF BILLING DEMAND FOR TRANSMISSION SYSTEM CHARGES

Application of IDR or IDR Capable AMS Metered Charges. The IDR or IDR Capable AMS Metered charges listed in the Monthly Rate section of this Rate Schedule are applicable to Retail Customers who have established an NCP demand greater than 700 kVA in any previous billing month, and to Retail Customers who were billed on a 4CP kVA basis prior to the effective date of this Rate Schedule, regardless of whether their Meter is an IDR, -IDR Capable AMS Meter, a Standard Meter or other Meter.

Determination of NCP kVA. The NCP kVA applicable under the Monthly Rate section shall be the kVA supplied during the 15 minute period of maximum use during the billing month.

Determination of 4 CP kVA. The 4 CP kVA applicable under the Monthly Rate section shall be the average of the Retail Customer's integrated 15 minute demands at the time of the monthly ERCOT system 15 minute peak demand for the months of June, July, August and September of the previous calendar year. The Retail Customer's average 4CP demand will be updated effective with the February billing month of each year and remain fixed for a year. Retail Customer's previous metered usage under this or any other Rate Schedule will be used, as needed, in determining the billing determinants under the Monthly Rate section. Retail Customers without

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previous history on which to determine their 4 CP kVA will be billed at the applicable NCP rate under the "Transmission System Charge" using the Retail Customer's NCP kVA.

### DETERMINATION OF BILLING DEMAND FOR DISTRIBUTION SYSTEM CHARGES

Determination of Billing kVA. The Billing kVA applicable to the Distribution System Charge shall be the NCP kVA for the current billing month.

### OTHER PROVISIONS

Type of Service. The standard Delivery Service under this Rate Schedule will be single or three-phase, 60 hertz, at the Company's standard Secondary Distribution Voltage level for this type of service as described in Section 6.2.2 of this Tariff and in the Company's Service Standards.

Metering Equipment. Delivery Service under this Rate Schedule will be metered using Company's Standard Meter provided for this type of Delivery Service. Any other metering option(s) requested by Retail Customer will be provided at an additional charge and/or will be provided by a Meter Owner other than the Company pursuant to Applicable Legal Authorities.

Construction Services. Where Construction Services are required to initiate Delivery Service under this Rate Schedule, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff.

Peak Demand Requirement. This Rate Schedule is applicable only to Retail Customers whose peak demand for the current month is greater than 10 kVA, as measured in the Retail Customer's fifteen-minute period of highest demand, or whose peak demand exceeded 10 kVA in any of the previous eleven months.

Temporary Service. This Rate Schedule is also applicable to Retail Customers who need Delivery Service at Secondary Distribution Voltage levels on a temporary basis for construction activities, for emergency shelters and temporary housing facilities managed by the Federal Emergency Management Agency or other state or federal agency after a natural or other disaster, and for other temporary facilities or purposes as determined by Company. The Company's construction of Delivery System facilities for the provision of such temporary Delivery Service is subject to the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff.

Sub-Metering. The Electric Power and Energy delivered may not be re-metered or sub-metered by the Retail Customer for resale except pursuant to lawful sub-metering regulations of Applicable Legal Authorities.

Municipal Account Franchise Credit. A credit equal to the amount of franchise fees included in the Transmission and Distribution Charges will be applied to municipal accounts receiving

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service within the incorporated limits of such municipality which imposes a municipal franchise fee upon the Company based on the Billing kVA within that municipality and who have signed an appropriate Franchise Agreement.

Adjustment To The Charges Applied To Retail Customer's Demand Measurement. If data to determine the Retail Customer's *Demand Measurement* becomes no longer available, the Company will determine a *Conversion Factor* which will be used as an adjustment to all per unit charges that will then be applied to the *New Demand Measurement*. *Demand Measurement* shall include the Billing kVA, the 4 CP kVA, NCP kVA or any other demand measurement required for billing under this Rate Schedule or any applicable rider(s) or any other applicable schedule(s). *New Demand Measurement* shall be the billing determinants which replace the *Demand Measurement*. The *Conversion Factor* will apply to unit prices per kVA such that when applied to the *New Demand Measurement*, the revenue derived by the Company under demand based charges shall be unaffected by such lack of data.

This adjustment may become necessary because of changes in metering capabilities, such as, Meters that record and /or measure kW with no ability to determine kVA or Meters which meter data in intervals other than 15 minutes. This adjustment also may become necessary due to changes in rules, laws, procedures or other directives which might dictate or recommend that Electric Power and Energy, electric power related transactions, wire charges, nonbypassable charges and/or other transactions measure demand in a way that is inconsistent with the definitions and procedures stated in the Company's Tariff. This adjustment is applicable not only in the instances enumerated above but also for any and all other changes in *Demand Measurement* which would prevent the Company from obtaining the necessary data to determine the kVA quantities defined in this Rate Schedule, applicable Riders and other applicable schedules.

The Conversion Factor shall render the Company revenue neutral to any change in *Demand Measurement* as described above.

On-Site Generation. Delivery Service under this Rate Schedule to a Retail Customer with on-site distributed generation (as defined in section 25.211 of the Commission's rules) may also be subject to the terms, conditions, fees and charges set out in Section 6.1.2.4 of this Tariff, regarding the interconnection and parallel operation of distributed generation.

### NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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**6.1.1.1.4 PRIMARY SERVICE**

**AVAILABILITY**

This schedule is available to Retail Customers requesting Delivery Service for non-Residential Purposes at Primary Distribution Voltage levels when such Delivery Service is to one Point of Delivery and measured through one Meter; except that, at Company's option, locations where the Retail Customer's Electrical Installation or Premises has multiple connections to Company's Delivery System, due to Company facility limitations or design criteria, may be considered one Point of Delivery for billing purposes; and provided, however, that Delivery Service under this schedule is available only to Retail Customers able to take Delivery Service directly from feeder lines of at least 12,470 volts but less than 60,000 volts.

**MONTHLY RATE**

**I. Transmission and Distribution Charges:**

|                                       |                                    |                               |
|---------------------------------------|------------------------------------|-------------------------------|
| Customer Charge                       |                                    |                               |
| Non-IDR Metered                       | <del>\$4.51</del> <u>\$9.95</u>    | per Retail Customer per Month |
| <u>IDR or IDR Capable AMS</u> Metered | <del>\$57.14</del> <u>\$49.78</u>  | per Retail Customer per Month |
| Metering Charge                       |                                    |                               |
|                                       | <del>\$284.78</del>                |                               |
| Non-IDR Metered                       | <del>\$368.50</del>                | per Meter per Month           |
| <u>IDR or IDR Capable AMS</u> Metered | <del>\$175.97</del> <u>\$94.06</u> | per Meter per Month           |
| Transmission System Charge            |                                    |                               |
| Non-IDR Metered                       | \$0.00                             | per NCP kVA                   |
| <u>IDR or IDR Capable AMS</u> Metered | \$0.00                             | per 4CP kVA                   |
| Distribution System Charge            |                                    |                               |
|                                       | <del>\$2.334540</del>              |                               |
|                                       | <u>\$3.271110</u>                  | per Billing kVA               |

**II. Transition Charge:**

See Schedules ~~TC2, TC3,~~  
~~SRC,~~ and TC5

**III. Nuclear Decommissioning Charge:**

See Rider NDC

**IV. Transmission Cost Recovery Factor:**

See Rider TCRF

**V. Competitive Metering Credit:**

See Rider CMC

**VI. Other Charges or Credits:**

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|  |  |                  |
|--|--|------------------|
| A. Municipal Account Franchise Credit<br>(see application and explanation below) | <del>(\$0.587486)</del><br><u>(\$0.631810)</u> | per Billing kVA  |
| B. Rate Case Expenses Surcharge  |  | See Rider RCE    |
| C. Energy Efficiency Cost Recovery Factor  |  | See Rider EECRF  |
| <del>D. Accumulated Deferred Federal<br/>Income Tax Credit</del>                 |  | See Rider ADFITC |
| <u>D.E.</u> Distribution Cost Recovery Factor                                    |  | See Rider DCRF   |
| <u>E.F.</u> Temporary Emergency Electric Energy<br>Facilities                    |  | See Rider TEEEF  |
| <u>F. Inflation Reduction Act 2022</u>   |  | See Rider IRA    |

### TERMS OF SERVICE

#### DETERMINATION OF BILLING DEMAND FOR TRANSMISSION SYSTEM CHARGES

Application of IDR or IDR Capable AMS Metered Charges. The IDR or IDR Capable AMS Metered charges listed in the Monthly Rate section of this Rate Schedule are applicable to Retail Customers who have established an NCP demand greater than 700 kVA in any previous billing month, and to Retail Customers who were billed on a 4CP kVA basis prior to the effective date of this Rate Schedule, regardless of whether their Meter is an IDR, IDR Capable AMS Meter, a Standard Meter or other Meter.

Determination of NCP kVA. The NCP kVA applicable under the Monthly Rate section shall be the kVA supplied during the 15-minute period of maximum use during the billing month.

Determination of 4 CP kVA. The 4 CP kVA applicable under the Monthly Rate section shall be the average of the Retail Customer's integrated 15 minute demands at the time of the monthly ERCOT system 15 minute peak demand for the months of June, July, August and September of the previous calendar year. The Retail Customer's average 4CP demand will be updated effective with the February billing month of each year and remain fixed for a year. Retail Customer's previous metered usage under this or any other Rate Schedule will be used, as needed, in determining the billing determinants under the Monthly Rate section. Retail Customers without previous history on which to determine their 4 CP kVA will be billed at the applicable NCP rate under the "Transmission System Charge" using the Retail Customer's NCP kVA.

#### DETERMINATION OF BILLING DEMAND FOR DISTRIBUTION SYSTEM CHARGES



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Determination of Billing kVA. For loads whose maximum NCP kVA established in the 11 months preceding the current billing month is less than or equal to 20 kVA, the Billing kVA applicable to the Distribution System Charge shall be the NCP kVA for the current billing month. For all other loads, the Billing kVA applicable to the Distribution System Charge shall be the higher of the NCP kVA for the current billing month or 80% of the highest monthly NCP kVA established in the 11 months preceding the current billing month (80% ratchet). The 80% ratchet shall not apply to seasonal agricultural Retail Customers.

### OTHER PROVISIONS

Type of Service. The standard Delivery Service under this Rate Schedule will be single or three-phase, 60 hertz, at the Company's standard Primary Distribution Voltage levels described in Section 6.2.2 of this Tariff and in the Service Standards.

Metering Equipment. Delivery Service under this Rate Schedule will be metered using Company's Standard Meter provided for this type of Delivery Service. Any other metering option(s) requested by Retail Customer will be provided at an additional charge and/or will be provided by a Meter Owner other than the Company pursuant to Applicable Legal Authorities.

Construction Services. Where Construction Services are required to initiate Delivery Service under this Rate Schedule, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff.

Temporary Service. This rate schedule is also applicable to Retail Customers who need Delivery Service at Primary Distribution Voltage levels on a temporary basis for construction activities, for emergency shelters and temporary housing facilities managed by the Federal Emergency Management Agency or other state or federal agency after a natural or other disaster, and for other temporary facilities or purposes as determined by Company. The Company's construction of Delivery System facilities for the provision of such temporary Delivery Service is subject to the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff.

Sub-Metering. The Electric Power and Energy delivered may not be re-metered or sub-metered by the Retail Customer for resale except pursuant to lawful sub-metering regulations of Applicable Legal Authorities.

Municipal Account Franchise Credit. A credit equal to the amount of franchise fees included in the Transmission and Distribution Charges will be applied to municipal accounts receiving service within the incorporated limits of such municipality which imposes a municipal franchise fee upon the Company based on the Billing kVA within that municipality and who have signed an appropriate Franchise Agreement.

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Adjustment To The Charges Applied To Retail Customer's Demand Measurement. If data to determine the Retail Customer's *Demand Measurement* becomes no longer available, the Company will determine a *Conversion Factor* which will be used as an adjustment to all per unit charges that will then be applied to the *New Demand Measurement*. *Demand Measurement* shall include the Billing

kVA, the 4 CP kVA, NCP kVA or any other demand measurement required for billing under this Rate Schedule or any applicable Rider(s) or any other applicable schedule(s). *New Demand Measurement* shall be the billing determinants which replace the *Demand Measurement*. The *Conversion Factor* will apply to unit prices per kVA such that when applied to the *New Demand Measurement*, the revenue derived by the Company under demand based charges shall be unaffected by such lack of data.

This adjustment may become necessary because of changes in metering capabilities, such as, Meters that record and /or measure kW with no ability to determine kVA or Meters which meter data in intervals other than 15 minutes. This adjustment also may become necessary due to changes in rules, laws, procedures or other directives which might dictate or recommend that Electric Power and Energy, electric power related transactions, wire charges, nonbypassable charges and/or other transactions measure demand in a way that is inconsistent with the definitions and procedures stated in the Company's Tariff. This adjustment is applicable not only in the instances enumerated above but also for any and all other changes in *Demand Measurement* which would prevent the Company from obtaining the necessary data to determine the kVA quantities defined in this Rate Schedule, applicable Riders and other applicable schedules.

The Conversion Factor shall render the Company revenue neutral to any change in *Demand Measurement* as described above.

Metering Adjustment. The Company may at its option measure service on the secondary side of the Retail Customer's transformers in which event the kVA and kWh recorded by the Billing Meter will be adjusted to compensate for transformer losses as follows: (1) where the Retail Customer's installed substation capacity is 600 kVA or less, the kVA will be increased by 2% and the kWh will be increased by 3%; or (2) where the Retail Customer's installed substation capacity is in excess of 600 kVA, the kVA and kWh will be increased by proper respective adjustments based upon data furnished by the manufacturer. In the event the manufacturer is unable to supply the necessary data, the adjustment will be based on tests conducted on the Retail Customer's transformers by the Company.

On-Site Generation. Delivery Service under this Rate Schedule to a Retail Customer with on-site distributed generation (as defined in section 25.211 of the Commission's rules) may also be subject to the terms, conditions, fees and charges set out in Section 6.1.2.4 of this Tariff, regarding the interconnection and parallel operation of distributed generation.

### NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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**6.1.1.1.5 TRANSMISSION SERVICE**

**AVAILABILITY**

This schedule is available to Retail Customers requesting Delivery Service for non-Residential Purposes at Transmission Voltage levels when such Delivery Service is to one Point of Delivery and measured through one Meter, except that, at Company's option, locations where the Retail Customer's Electrical Installation or Premises has multiple connections to Company's Delivery System, due to Company facility limitations or design criteria, may be considered one Point of Delivery for billing purposes.

**MONTHLY RATE**

**I. Transmission and Distribution Charges:**

|                            |  |                               |
|----------------------------|--|-------------------------------|
| Customer Charge            | <del>\$209.26</del><br><u>\$161.68</u>     | per Retail Customer per month |
| Metering Charge            | <del>\$799.36</del><br><u>\$615.98</u>     | per Meter per month           |
| Transmission System Charge | \$0.00                                     | per 4CP kVA                   |
| Distribution System Charge | <del>\$0.594950</del><br><u>\$0.567260</u> | per 4CP kVA                   |

**II. Transition Charge:**

See Schedules ~~TC2, TC3, and~~  
TC5

**III. Nuclear Decommissioning Charge:**

See Rider NDC

**IV. Transmission Cost Recovery Factor:**

See Rider TCRF

**V. Competitive Metering Credit:**

See Rider CMC

**VI. Other Charges or Credits:**

|  |  |
|--|--|
| A. Municipal Account Franchise Credit<br>(see application and explanation below) | <del>(\$0.000779)</del><br><u>(\$0.000649)</u> per kWh |
|--|--|

Revision Number: 4718<sup>th</sup>

Effective: 04/15/23 xx/xx/xx

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|   |                             |
|---|-----------------------------|
| B. Rate Case Expenses Surcharge                   | See Rider RCE               |
| C. Energy Efficiency Cost Recovery Factor         | See Rider EECRF             |
| D. Distribution Cost Recovery Factor              | See Rider DCRF              |
| E. Temporary Emergency Electric Energy Facilities | See Rider TEEEF             |
| <u>F. Inflation Reduction Act 2022</u>            | <u>See Rider IRA</u>        |
| <u>G. Customer Load Study Charge</u>              | <u>See Terms of Service</u> |

**TERMS OF SERVICE**

**DETERMINATION OF BILLING DEMAND FOR TRANSMISSION SYSTEM CHARGES AND DISTRIBUTION SYSTEM CHARGES**

Determination of NCP kVA. The NCP kVA applicable under the Monthly Rate section shall be the kVA supplied during the 15 minute period of maximum use during the billing month.

Determination Of 4 CP kVA. The 4 CP kVA applicable under the Monthly Rate section shall be the average of the Retail Customer's integrated 15 minute demands at the time of the monthly ERCOT system 15-minute peak demand for the months of June, July, August and September of the previous calendar year. The Retail Customer's average 4CP demand will be updated effective with the February billing month of each year and remain fixed for a year. Retail Customer's previous metered usage under this or any other rate schedule will be used, as needed, in determining the billing determinants under the Monthly Rate section. Retail Customers without previous history on which to determine their 4 CP kVA will be billed based on estimated 4 CP kVA in accordance with the following procedures:

- (a) Retail Customers having IDR data for fewer than 4 CP kVA, but at least 2 CP kVA, will be billed based on the average of the actual CP kVA, so long as the CP kVA are representative of the Retail Customer's expected load, as derived from engineering estimates. If the CP kVA are not representative of the expected load, the estimated 4 CP kVA will be set based on mutual agreement between the Retail Customer and the Company.

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- (b) Retail Customers that do not have at least 2 CP kVA will be billed by estimating the Retail Customer's 4 CP kVA demand by applying a class coincidence factor to the Retail Customer's NCP kVA, using the formula:

$$\text{Estimated 4 CP kVA} = (\text{NCP kVA} * \text{TCCF})$$

Where:

NCP kVA is the highest 15-minute integrated demand of an individual Retail Customer served at transmission voltage during the month; and

TCCF is the transmission class coincidence factor for the months June, July, August, and September calculated from the Company's most recent general rate case proceeding using the following formula:

$$\text{TCCF} = \frac{\sum \text{Class CP}_i \text{ kVA for June, July, August, September}}{\sum \text{Class NCP kVA for June, July, August, September}} = \frac{0.784009}{0.873222}$$

Where:

Class CP kVA is the transmission voltage rate class' 15-minute demand at the time of the ERCOT CP and Class NCP kVA is the transmission voltage class' maximum 15-minute demand during a month.

### OTHER PROVISIONS

Type of Service. The standard Delivery Service under this Rate Schedule will be three-phase, 60 hertz, at the Company's standard Transmission Voltage levels described in Section 6.2.2 of this Tariff and in the Service Standards.

Metering Equipment. Delivery Service under this Rate Schedule will be metered using Company's Standard Meter provided for this type of Delivery Service. Any other metering option(s) requested by Retail Customer will be provided at an additional charge and/or will be provided by a Meter Owner other than the Company pursuant to Applicable Legal Authorities. The Company may install remote metering equipment to obtain information with which to determine the amount of the monthly bill. Retail Customer may have metering instruments installed to check the service supplied under this Rate Schedule in accordance with the provisions of the Tariff.

Construction Services. Where Construction Services are required to initiate Delivery Service under this Rate Schedule, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff.

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Customer Load Study Charge. Company may conduct a load study for Retail Customers requesting Delivery Service under this Rate Schedule for a new load or load addition of 10 MW or more, and Company will charge, and Retail Customer must pay, an additional charge of \$50,000.00 for the load study. The Company will waive this load study requirement and study fee for new loads and load additions of less than 10 MW, unless Company or ERCOT determines that a load study is required prior to connecting the new or additional load of less than 10 MW to the Transmission Voltage System. Additionally, if Company or ERCOT require a stability study to be performed, an additional charge of \$50,000.00 will be applied to Retail Customer, for a total of \$100,000.00.

Retail Customer Responsibilities. The Retail Customer shall own, operate, and maintain all facilities (except Company owned Billing Meter) necessary to receive three-phase, 60 hertz alternating current service at 60,000 volts or higher. Each Retail Customer served at Transmission Voltage shall comply with Company's operating requirements for transmission customers.

Sub-Metering. The Electric Power and Energy delivered under this Rate Schedule may not be re-metered or sub-metered by the Retail Customer for resale or sharing except pursuant to lawful sub-metering regulations of Applicable Legal Authorities.

On-Site Generation. If Retail Customer taking Delivery Service under this Rate Schedule has on-site electric generating capacity installed, additional contract arrangements may be required pursuant to section 5 of the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff if less than 10 MW or pursuant to ERCOT guidelines and procedures if 10 MW or greater.

Municipal Account Franchise Credit. A credit equal to the amount of franchise fees included in the Transmission and Distribution Charges will be applied to municipal accounts receiving service within the incorporated limits of such municipality which imposes a municipal franchise fee upon the Company based on the kWh delivered within that municipality and who have signed an appropriate Franchise Agreement.

Adjustment To The Charges Applied To Retail Customer's Demand Measurement. If data to determine the Retail Customer's *Demand Measurement* becomes no longer available, the Company will determine a *Conversion Factor* which will be used as an adjustment to all per unit charges that will then be applied to the *New Demand Measurement*. *Demand Measurement* shall include the Billing kVA, the 4 CP kVA, NCP kVA or any other demand measurement required for billing under this rate schedule or any applicable rider(s) or any other applicable schedule(s). *New Demand Measurement* shall be the billing determinants which replace the *Demand Measurement*. The *Conversion Factor* will apply to unit prices per kVA such that when applied to the *New Demand Measurement*, the revenue derived by the Company under demand based charges shall be unaffected by such lack of data.

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This adjustment may become necessary because of changes in metering capabilities, such as, meters that record and /or measure kW with no ability to determine kVA or meters which meter data in intervals other than 15 minutes. This adjustment also may become necessary due to changes in rules, laws, procedures other directives which might dictate or recommend that electric power, electric power related transactions, wire charges, nonbypassable charges and/or other transactions measure demand in a way that is inconsistent with the definitions and procedures stated in the Company's Tariff. This adjustment is applicable not only in the instances enumerated above but also for any and all other changes in *Demand Measurement* which would prevent the Company from obtaining the necessary data to determine the kVA quantities defined in this rate schedule, applicable riders and other applicable schedules.

The Conversion Factor shall render the Company revenue neutral to any change in *Demand Measurement* as described above.

Metering Adjustment. The Company may at its option measure service on the low voltage side of the Retail Customer's transformers in which event the kVA and kWh recorded by the Billing Meter will be adjusted to compensate for transformer losses on the basis of data furnished by the manufacturer of the Retail Customer's transformers. When the manufacturer is unable to supply the necessary data the adjustment will be based on tests conducted by the Company on the Retail Customer's transformers.

**NOTICE**

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.



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**6.1.1.1.6 LIGHTING SERVICES**  
(Street Lighting and Miscellaneous Lighting Services)

**STREET LIGHTING SERVICE**

**AVAILABILITY**

Street lighting service is available to cities, governmental agencies, real estate developers and other groups (herein referred to as Retail Customers) requesting the installation of Company-owned and maintained street lighting systems along public streets, roadways or other public access areas in accordance with Section 6.1.2.2, Construction Services, in this Tariff. Street lighting service is not applicable to privately-owned street lighting systems. Privately-owned street lighting systems may be eligible for Delivery Service under the Company's applicable rate schedule for Secondary or Primary Service.

**TYPE OF SERVICE**

Street lighting service consists of the installation of Company-owned street lights, fixtures, luminaires and lamps (collectively, Lamps) and (if requested by Retail Customer) ornamental standards along public streets, roadways or other public access areas in accordance with section 6 of the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff, as well as the delivery of Electric Power and Energy at Company's standard Secondary Distribution Voltages to, and the maintenance and replacement of, such installations pursuant to the rates set forth in this Rate Schedule. If ornamental standards are not requested by Retail Customer, the Lamp installations will be mounted on the Company's existing distribution poles, if available, and served by overhead conductors. The Company's standard Lamp type for all street lighting service installations and replacements is Light Emitting Diode (LED). A Retail Customer's request for a non-standard Lamp type will be subject to the availability of the Lamp type in Company's inventory. The Company is no longer Procuring non-standard Lamp types for its inventory.

Street lighting service will be provided at various voltages as determined by the Company. Delivery Service under this Rate Schedule is an Unmetered Service. Company will install, own and maintain the street lighting service installations provided hereunder. Company's street lighting service is built to NESC standards. At the request of Customer and at Company's discretion, Company may build to other standards, with Customer being responsible for any difference in cost. All street Lamps, including LED Lamps, will burn out and/or dim over time, and therefore the lumens delivered by a street Lamp will vary over time and will vary from Lamp to Lamp. Company will replace burned out street Lamps, and/or make maintenance repairs during regular working hours, at its own cost and expense and will generally have the lighting service restored within 72 hours after notification by the Retail Customer, but with no adjustment of payments hereunder due to outage or varying levels of lumens. Street Lamps furnished hereunder shall operate under normal conditions from approximately thirty minutes after sunset to



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approximately thirty minutes before sunrise every night in the year and the assumed total time of operations will be approximately four thousand (4,000) hours each year for each light furnished.

### MONTHLY RATE

#### I. Transmission and Distribution Charges

The monthly charges listed in the table below cover the provision of Delivery Service to street lighting systems requested by Retail Customer and installed by Company pursuant to this Rate Schedule, including the maintenance but excluding the installation of those systems. Charges for the installation of street lighting systems are governed by the Construction Services Policy in Section 6.1.2.2 of this Tariff.

In addition to the following monthly charges per Lamp, an additional ~~\$0.89~~\$1.13 per month will be charged for each Lamp with a break-away base if requested by Retail Customer and installed by Company.

| Initial<br>Lumen                  | Lamp Type<br>Watt<br>(Bulb<br>Only) | Schedule<br>A*                  | Schedule<br>B*                    | Schedule<br>C*                 | Schedule<br>D*                    | Schedule<br>E*                    | Monthly<br>KWH |
|-----------------------------------|-------------------------------------|---------------------------------|-----------------------------------|--------------------------------|-----------------------------------|-----------------------------------|----------------|
| <b>Mercury Vapor</b>              |                                     |                                 |                                   |                                |                                   |                                   |                |
| 22,600<br>Lumen                   | 400                                 | <del>\$3.94</del> <u>\$3.78</u> | <del>\$16.37</del> <u>N.A.</u>    | N.A.                           | <del>\$11.46</del> <u>\$14.34</u> | <del>\$10.19</del> <u>N.A.</u>    | 150            |
| 7,800<br>Lumen                    | 175                                 | <del>\$3.46</del> <u>\$3.42</u> | N.A.                              | N.A.                           | <del>\$10.98</del> <u>\$13.98</u> | N.A.                              | 69             |
| 4,200<br>Lumen                    | 100                                 | <del>\$3.48</del> <u>\$3.43</u> | <del>\$15.97</del> <u>\$19.58</u> | N.A.                           | <del>\$11.00</del> <u>\$13.99</u> | N.A.                              | 41             |
| <b>High Pressure Sodium Vapor</b> |                                     |                                 |                                   |                                |                                   |                                   |                |
| 50,000<br>Lumen                   | 400                                 | <del>\$3.91</del> <u>\$3.87</u> | <del>\$16.35</del> <u>N.A.</u>    | N.A.                           | <del>\$11.43</del> <u>\$14.43</u> | <del>\$10.16</del> <u>\$11.99</u> | 160            |
| 28,000<br>Lumen                   | 250                                 | <del>\$3.80</del> <u>\$3.77</u> | <del>\$16.23</del> <u>\$19.91</u> | <del>\$8.94</del> <u>11.14</u> | <del>\$11.32</del> <u>\$14.32</u> | <del>\$10.05</del> <u>\$11.89</u> | 106            |
| 15,000<br>Lumen                   | 150                                 | <del>\$3.69</del> <u>\$4.37</u> | <del>\$16.13</del> <u>\$20.52</u> | <del>\$8.83</del> <u>N.A.</u>  | <del>\$11.21</del> <u>\$14.93</u> | <del>\$9.94</del> <u>\$12.49</u>  | 58             |
| 9,500<br>Lumen                    | 100                                 | <del>\$3.67</del> <u>\$4.37</u> | <del>\$16.08</del> <u>\$20.48</u> | N.A.                           | <del>\$11.19</del> <u>\$14.93</u> | <del>\$9.93</del> <u>\$12.49</u>  | 38             |
| 6,000<br>Lumen                    | 70                                  | <del>\$3.64</del> <u>\$3.66</u> | <del>\$16.08</del> <u>\$19.80</u> | N.A.                           | <del>\$11.16</del> <u>\$14.22</u> | N.A.                              | 29             |
| <b>Metal Halide</b>               |                                     |                                 |                                   |                                |                                   |                                   |                |
| 32,200<br>Lumen                   | 400                                 | <del>\$4.94</del> <u>\$3.79</u> | N.A.                              | N.A.                           | <del>\$17.25</del> <u>\$18.15</u> | <del>\$14.11</del> <u>\$14.59</u> | 159            |
| 19,475<br>Lumen                   | 250                                 | <del>\$9.14</del> <u>\$7.67</u> | N.A.                              | N.A.                           | <del>\$16.50</del> <u>\$18.23</u> | <del>\$13.34</del> <u>\$14.66</u> | 96             |

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|                                   |                               |                                 |                                   |                                   |                                   |                                   |                         |
|-----------------------------------|-------------------------------|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------|
| 12,900<br>Lumen                   | 175                           | <del>\$7.22</del> <u>N.A.</u>   | N.A.                              | N.A.                              | <del>\$14.67</del> <u>\$16.48</u> | <del>\$12.52</del> <u>\$13.51</u> | 70                      |
| 7,900<br>Lumen                    | 100                           | <del>\$6.63</del> <u>\$5.66</u> | N.A.                              | N.A.                              | <del>\$14.08</del> <u>\$16.22</u> | <del>\$11.93</del> <u>\$13.25</u> | 40                      |
| <b>Light Emitting Diode (LED)</b> |                               |                                 |                                   |                                   |                                   |                                   |                         |
| 15,100<br>Lumen                   | <del>180</del> <u>116-180</u> | <del>\$4.57</del> <u>\$5.25</u> | N.A.                              | N.A.                              | <del>\$6.05</del> <u>\$15.81</u>  | <del>\$22.19</del> <u>\$13.52</u> | <del>64</del> <u>53</u> |
| 10,850<br>Lumen                   | <del>115</del> <u>115-115</u> | <del>\$4.20</del> <u>\$3.74</u> | <del>\$16.66</del> <u>\$19.86</u> | <del>\$19.23</del> <u>\$11.24</u> | <del>\$11.74</del> <u>\$14.30</u> | <del>\$10.73</del> <u>\$12.01</u> | <del>38</del> <u>36</u> |
| 7,900<br>Lumen                    | <del>95</del> <u>46-70</u>    | <del>\$3.86</del> <u>\$3.71</u> | <del>\$16.31</del> <u>\$19.85</u> | <del>\$9.27</del> <u>\$11.24</u>  | <del>\$11.39</del> <u>\$14.27</u> | <del>\$10.38</del> <u>\$11.98</u> | <del>32</del> <u>28</u> |
| 4,800<br>Lumen                    | <del>45</del> <u>21-45</u>    | <del>\$3.47</del> <u>\$3.71</u> | <del>\$15.93</del> <u>\$19.45</u> | N.A.                              | <del>\$11.01</del> <u>\$14.27</u> | <del>\$10.00</del> <u>\$11.98</u> | <del>17</del> <u>15</u> |
| 2,000<br>Lumen                    | <del>20</del> <u>0-20</u>     | <del>\$3.47</del> <u>\$3.71</u> | N.A.                              | N.A.                              | <del>\$11.01</del> <u>\$14.27</u> | N.A.                              | 8                       |

\* DESCRIPTION OF LIGHTING CONFIGURATIONS

- Schedule A -one or more Lamps mounted on existing distribution poles and served by overhead conductors.  
Schedule B -single Lamp mounted on ornamental standard and served by overhead conductors. Limited to existing installations.  
Schedule C -twin Lamps mounted on ornamental standard and served by overhead conductors. Limited to existing installations.  
Schedule D -single Lamp mounted on ornamental standard and served by underground conductors, or decorative residential street lights.  
Schedule E -twin Lamps mounted on ornamental standard and served by underground conductors.

II. Transition Charge:

See Schedules ~~TC2, TC3,~~  
~~SRG,~~ and TC5

III. Nuclear Decommissioning Charge:

See Rider NDC

IV. Transmission Cost Recovery Factor:

See Rider TCRF

V. Other Charges or Credits:

A. Municipal Account Franchise Credit ~~(\$0.001597)~~ per kWh  
(see application and explanation below) ~~(\$0.001585)~~

B. Rate Case Expenses Surcharge See Rider RCE

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|  |                            |
|--|----------------------------|
| C. Energy Efficiency Cost Recovery Factor                          | See Rider EECRF            |
| <del>D. Accumulated Deferred Federal<br/>Income Tax Credit</del>   | <del>See Rider ADFIT</del> |
| <del>D.E. Distribution Cost Recovery Factor</del>                  | <del>See Rider DCRF</del>  |
| <del>E.F. Temporary Emergency Electric Energy<br/>Facilities</del> | <del>See Rider TEEEF</del> |
| <u>F. Inflation Reduction Act 2022</u>                             | <u>See Rider IRA</u>       |

### OTHER PROVISIONS

Municipal Account Franchise Credit. A credit equal to the amount of franchise fees included in the Transmission and Distribution Charges will be applied to municipal accounts receiving service within the incorporated limits of such municipality which imposes a municipal franchise fee upon the Company based on the kWh within that municipality and who have signed an appropriate Franchise Agreement.

LED Street Lamp Lumen Levels. By choosing an LED street lighting option, Retail Customer (1) acknowledges that there will be variances in lumen levels and energy consumption between individual LED Lamps and between an LED Lamp and the applicable lumen and watt levels for the Lamp set forth in the table above, and (2) agrees to not hold Company liable for any variations in LED Lamp performance.

The Initial Lumen and Watt levels shown in the table above for LED street lights reflect a target average lumen output and a target average wattage level range and may not be representative of any particular LED Lamp.

The Monthly KWH level shown in the table above for LED street Lamps reflects a target average KWH level and may not be representative of any particular LED luminaire.

### MISCELLANEOUS LIGHTING SERVICE

#### AVAILABILITY

Miscellaneous Lighting Service is available in areas designated by Company with suitable locations, where permission for installation has been granted by all affected parties, and where facilities of adequate capacity and suitable voltage are adjacent to the lighting fixture(s) to be served. All new fixtures installed by Company for the provision of Miscellaneous Lighting Service must be purchased from a third-party vendor and owned by the Retail Customer or the Retail

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Customer's REP ("Customer Owned Installation" or "Customer Owned Fixture"). All Customer Owned Fixtures must be approved by Company prior to installation and must conform to one of the lamp types described in the table below, except that metal halide and mercury vapor fixtures will no longer be approved by Company for installation as Customer Owned Fixtures. Existing Company owned fixtures will continue to be owned by the Company ("Company Owned Installation" or "Company Owned Fixture"). Miscellaneous Lighting Service consists of the delivery of electric power and energy to, and the installation and maintenance of lighting fixtures, as described herein. Retail Customer's electric power and energy must be provided by the Retail Customer's REP in accordance with Applicable Legal Authorities and the Company's Tariff.

### TYPE OF SERVICE

Miscellaneous Lighting Service is provided as an Unmetered Service at Company's standard secondary distribution voltages to Customer Owned and Company Owned Fixtures which operate automatically every night from dusk to dawn. The Company will install, make electrical connection(s), and maintain the lighting fixture(s), whether Customer Owned or Company Owned.

Charges for services shall commence on the date that the electrical connection is made.

### MONTHLY RATE

#### I. Transmission and Distribution Charges

In addition to the installation charges described below for Customer Owned Fixtures, the following monthly charges apply to Miscellaneous Lighting Service.

- A. Only the T&D Charge below is applicable to Customer Owned Installations.
- B. The T&D Charge and the Fixture Charge below are applicable to Company Owned Installations. In addition to the T&D Charge and the Fixture Charge for each lamp type in the table below, an additional charge of ~~\$2.16~~\$2.80 per month is charged for a span of secondary which was installed exclusively for Miscellaneous Lighting Service and Retail Customer did not reimburse Company for construction cost (applies only to installations existing as of 1-1-2002).

| TYPE OF LAMP                              | T&D<br>CHARGE                   | LUMEN<br>RATING | TOTAL<br>WATTAGE | FIXTURE<br>CHARGE <sup>1</sup>  | MONTHLY<br>KWH |
|---|---------------------------------|-----------------|------------------|---------------------------------|----------------|
| <u>Floodlighting/Directional Lighting</u> |                                 |                 |                  |                                 |                |
| <u>High Pressure Sodium</u>               |                                 |                 |                  |                                 |                |
| High Pressure Sodium (150 watts)          | <del>\$3.39</del> <u>\$2.89</u> | 15,000          | 185              | <del>\$3.76</del> <u>\$5.51</u> | 61             |

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| <u>TYPE OF LAMP</u>                                    | <u>T&amp;D<br/>CHARGE</u> | <u>LUMEN<br/>RATING</u> | <u>TOTAL<br/>WATTAGE</u> | <u>FIXTURE<br/>CHARGE<sup>1</sup></u> | <u>MONTHLY<br/>KWH</u> |
|--|---------------------------|-------------------------|--------------------------|---------------------------------------|------------------------|
| High Pressure Sodium (250 watts)                       | <del>\$4.12</del> \$3.18  | 28,000                  | 315                      | <del>\$4.49</del> \$6.00              | <u>105</u>             |
| High Pressure Sodium (400 watts)                       | <del>\$3.69</del> \$3.46  | 50,000                  | 475                      | <del>\$4.06</del> \$6.48              | <u>158</u>             |
| High Pressure Sodium (1,000 watts)                     | <del>\$6.94</del> \$3.78  | 140,000                 | 1,100                    | N.A.                                  | <u>367</u>             |
| <b>Light Emitting Diode (LED)</b>                      |                           |                         |                          |                                       |                        |
| Light Emitting Diode (40 watts)                        | <del>\$3.39</del> \$0.66  | 4,800                   | 40                       | <del>\$3.76</del> \$1.26              | 14                     |
| <b>LED Alternative For 150W High Pressure Sodium</b>   |                           |                         |                          |                                       |                        |
| Light Emitting Diode (70 watts)                        | <del>\$4.12</del> \$2.84  | 7,900                   | 70                       | <del>\$4.49</del> \$2.51              | 24                     |
| <b>LED Alternative For 250W High Pressure Sodium</b>   |                           |                         |                          |                                       |                        |
| Light Emitting Diode (100 watts)                       | <del>\$3.69</del> \$2.90  | 11,300                  | 100                      | <del>\$4.06</del> \$2.56              | 33                     |
| <b>LED Alternative For 400W High Pressure Sodium</b>   |                           |                         |                          |                                       |                        |
| Light Emitting Diode (175 watts)                       | <del>\$6.94</del> \$2.89  | 15,100                  | 175                      | N.A.                                  | 58                     |
| <b>LED Alternative For 1,000W High Pressure Sodium</b> |                           |                         |                          |                                       |                        |
| <b>Metal Halide</b>                                    |                           |                         |                          |                                       |                        |
| Metal Halide (175w) (no new installations)             | <del>\$9.24</del> \$5.11  | 12,900                  | 210                      | N/A                                   | 70                     |
| Metal Halide (250w) (no new installations)             | <del>\$17.08</del> \$9.61 | 19,475                  | 294                      | N/A                                   | 98                     |
| Metal Halide (400 w) (no new installations)            | <del>\$6.96</del> \$3.88  | 32,200                  | 476                      | N/A                                   | 159                    |
| Metal Halide (1,000w) (no new installations)           | <del>\$13.44</del> \$7.33 | 104,500                 | 1,100                    | N/A                                   | 367                    |
| <b>Roadway/General Lighting</b>                        |                           |                         |                          |                                       |                        |
| High Pressure Sodium (150 watts)                       | <del>\$2.30</del> \$2.36  | 15,000                  | 185                      | <del>\$2.42</del> \$4.34              | 61                     |
| Light Emitting Diode (95 watts)                        | <del>\$2.30</del> \$2.36  | 7,900                   | 95                       | <del>\$2.42</del> \$4.34              | 32                     |
| <b>LED Alternative For 150W High Pressure Sodium</b>   |                           |                         |                          |                                       |                        |
| <b>Guard Lighting</b>                                  |                           |                         |                          |                                       |                        |
| High Pressure Sodium (100 watts)                       | <del>\$2.29</del> \$1.80  | 9,500                   | 120                      | <del>\$2.42</del> \$3.38              | 40                     |
| Mercury Vapor (no new installations)                   | <u>\$1.24</u>             | <u>7,800</u>            | <u>215</u>               | <u>\$2.43</u>                         | <u>72</u>              |
| Light Emitting Diode (40 watts)                        | <del>\$2.29</del> \$1.80  | 4,800                   | 40                       | <del>\$2.42</del> \$3.38              | 14                     |
| <b>LED Alternative For 100W High Pressure Sodium</b>   |                           |                         |                          |                                       |                        |

Revision Number: 21<sup>st</sup> 22<sup>nd</sup>

Effective: 04/15/23 xx/xx/xx

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<sup>1</sup> Applies only to Company Owned Fixtures that are Company-owned and installed prior to September 1, 2000.

|  |  |
|--|--|
| <b>II. Transition Charge:</b>  | See Schedules <del>TC2, TC3, SRC,</del> and TC5        |
| <b>III. Nuclear Decommissioning Charge:</b>                                      | See Rider NDC  |
| <b>IV. Transmission Cost Recovery Factor:</b>                                    | See Rider TCRF   |
| <b>V. Other Charges or Credits:</b>  |  |
| A. Municipal Account Franchise Credit<br>(see application and explanation below) | <del>(\$0.002372)</del><br><u>(\$0.002372)</u> per kWh |
| B. Rate Case Expenses Surcharge  | See Rider RCE  |
| C. Energy Efficiency Cost Recovery Factor  | See Rider EECRF  |
| <del>D. Accumulated Deferred Federal Income Tax Credit</del>                     | <del>See Rider ADFIT</del>                             |
| <del>D.E.</del> Distribution Cost Recovery Factor                                | See Rider DCRF   |
| <del>E.F.</del> Temporary Emergency Electric Energy Facilities                   | See Rider TEEEF  |
| <u>F. Inflation Reduction Act 2022</u>   | <u>See Rider IRA</u>                                   |

## OTHER PROVISIONS

Municipal Account Franchise Credit. A credit equal to the amount of franchise fees included in the Transmission and Distribution Charges will be applied to municipal accounts receiving service within the incorporated limits of such municipality which imposes a municipal franchise fee upon the Company based on the kWh within that municipality and who have signed an appropriate Franchise Agreement.

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Acceptable Lamp Types for Installation. For Miscellaneous Lighting Service, the Company no longer installs Customer Owned Fixtures that use mercury vapor or metal halide lighting. Only Customer Owned Fixtures using high pressure sodium or LED lighting are accepted by Company for installation. Existing mercury vapor and metal halide installations (whether Customer Owned Installations or Company Owned Installations) will be converted to the appropriate high pressure sodium or LED equivalent from time to time during the normal course of maintenance when individual lamps burn out. Mercury vapor Guard Lighting installations with 7,800 lumen lamps will be converted to 9,500 lumen high pressure sodium, at no up-front cost to the Retail Customer.

LED Lumen Levels. By choosing an LED miscellaneous lighting option, Retail Customer (1) acknowledges that there will be variances in lumen levels and energy consumption between individual LED lamps and between the an LED Lamp and the applicable lumen and watt levels for the other lamp types set forth in the table above, and (2) agrees to not hold Company liable for any variations in LED Lamp performance.

### **INSTALLATION AND MAINTENANCE FOR CUSTOMER OWNED FIXTURES**

Company will install and maintain the lighting fixture(s) served hereunder. For all Miscellaneous Lighting fixture installations except Guard Lighting fixtures, the Company will provide for each fixture the bulb and the photoelectric relay at the time of installation. Company will replace burned out lamps and make other maintenance repairs during Company's regular working hours at Company's expense, but with no adjustment of payments hereunder due to outage. Maintenance includes replacement of burned-out lamps (bulbs) and malfunctioning photoelectric relays.

Damages due to vandalism, storms, accidents or manufacturing defects are not included under maintenance. Generally, Company will make maintenance repairs under this tariff within 72 hours after notification by the Retail Customer or REP.

The Retail Customer will be charged a one-time fee per lighting fixture to cover the Company's standard installation as detailed below. Standard installation consists of installing the lighting fixture on an existing wooden distribution pole and connecting service supplied from an existing or new overhead secondary conductor on the pole as detailed below. Standard installations are made during normal Company business hours. The charges below include both the labor to install and eventually remove fixtures. Any additional construction and/or cost required to provide service will be at the Retail Customer's expense, for an additional charge. Any additional facilities so required will be owned, installed and maintained by the Company.

Retail Customer or REP must purchase/provide all lighting fixtures. Only un-metered lighting fixtures meeting Company Service Standards and specifications will be allowed under this tariff. The Retail Customer or REP will own the lighting fixture.

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| <b>CUSTOMER OWNED FIXTURES<br/>STANDARD INSTALLATION FEES</b> | <b>One Light<br/>per Pole</b> | <b>Two Lights<br/>per Pole</b> | <b>Three Lights<br/>per Pole</b> |
|---|-------------------------------|--------------------------------|----------------------------------|
| <b>Flood Light</b>  |                               |                                |                                  |
| <b>High Pressure Sodium</b>                                   |                               |                                |                                  |
| Installations without secondary                               |                               |                                |                                  |
| 150w, 250w, 400w  | \$325                         | \$350                          | \$405                            |
| 1000w   | \$370                         | \$450                          | \$550                            |
| Installations with 150 feet of secondary                      |                               |                                |                                  |
| 150w, 250w, 400w  | \$425                         | \$450                          | \$505                            |
| 1000w   | \$470                         | \$550                          | \$655                            |
| <b>Light Emitting Diode</b>                                   |                               |                                |                                  |
| Installations without secondary                               |                               |                                |                                  |
| 40w, 100w, 180w   | \$325                         | \$350                          | \$405                            |
|   | \$370                         | \$450                          | \$550                            |
| Installations with 150 feet of secondary                      |                               |                                |                                  |
| 40w, 100w, 180w   | \$425                         | \$450                          | \$505                            |
|   | \$470                         | \$550                          | \$655                            |
| <b>Guard Light</b>  |                               |                                |                                  |
| Installations without secondary                               |                               |                                |                                  |
| 100w HPS  | \$325                         | N/A                            | N/A                              |
| Installations with secondary                                  |                               |                                |                                  |
| 100w HPS  | \$365                         | N/A                            | N/A                              |
| Installations without secondary                               |                               |                                |                                  |
| 100w LED  | \$325                         | N/A                            | N/A                              |
| Installations with secondary                                  |                               |                                |                                  |
| 100w LED  | \$365                         | N/A                            | N/A                              |
| <b>Roadway Light</b>  |                               |                                |                                  |
| Installations without secondary                               |                               |                                |                                  |
| 150w HPS  | \$335                         | N/A                            | N/A                              |
| Installations with secondary                                  |                               |                                |                                  |
| 150w HPS  | \$375                         | N/A                            | N/A                              |
| Installations without secondary                               |                               |                                |                                  |
| 95w LED   | \$335                         | N/A                            | N/A                              |
| Installations with secondary                                  |                               |                                |                                  |
| 150w HPS 95w LED  | \$375                         | N/A                            | N/A                              |

**INSTALLATION AND MAINTENANCE FOR COMPANY OWNED FIXTURES**

Company Owned Fixtures were installed by the Company before September 1, 2000. Company will replace burned out lamps and make other maintenance repairs during Company's regular working hours at Company's expense, but with no adjustment of payments hereunder due to outage. Maintenance includes replacement of burned-out lamps (bulbs) and malfunctioning photoelectric relays, and damages due to vandalism, storms, accidents or manufacturing defects.



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Generally, Company will make maintenance repairs under this tariff within 72 hours after notification by the Retail Customer or REP.

**EXTRAORDINARY MAINTENANCE ACTIVITIES**

For Customer Owned Fixtures, Company will charge Retail Customer an additional fee as detailed below for each occurrence of the extraordinary maintenance activities listed hereunder.

| CUSTOMER OWNED FIXTURES<br>EXTRAORDINARY MAINTENANCE FEE |               |
|--|---------------|
| ACTIVITY   | FEE           |
| (1) Replace a vandalized shield<br>(parts and labor)     | \$125.00      |
| (2) Make adjustments to the fixture<br>(labor only)      | \$125.00      |
| (3) Replace a fixture<br>(labor only)                    | \$125.00      |
| (4) Relocate a fixture<br>(labor only)                   | As Calculated |

**NOTICE**

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities

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~~6.1.1.2 SCHEDULE TC~~

~~6.1.1.2.2 SCHEDULE TC2-TRANSITION CHARGES~~

~~SECTION 1: APPLICABILITY~~

~~This schedule sets out the rates and terms and conditions under which Transition Charges will be billed and collected by CenterPoint Energy Houston Electric, LLC (Company), any successor servicer(s) and any retail electric providers (REP) or collection agents billing or collecting Transition Charges on behalf of CenterPoint Energy Transition Bond Company II, LLC (SPE). The Transition Charges were authorized by the Financing Order approved by the Public Utility Commission of Texas (Commission) in Docket No. 30485 on March 16, 2005 (Financing Order). Pursuant to terms of the Financing Order and the requirements of Section 39.301 *et seq.* of the Texas Utilities Code, all of the Company's rights under the Financing Order, including the right to bill and collect Transition Charges and to adjust Transition Charges pursuant to this Schedule TC2, were transferred to the SPE in connection with the issuance of transition bonds. The rights transferred to the SPE are "transition property" of the SPE (as defined in Section 39.304 of the Utilities Code). On the effective date of this Schedule TC2, the Company will act as servicer on behalf of the SPE to bill, collect, receive and adjust Transition Charges imposed pursuant to this Schedule TC2. However, the SPE may select another party to serve as servicer or the Company may resign as servicer in accordance with the terms and subject to the conditions of the Servicing Agreement and the Financing Order. A successor servicer selected under these conditions will assume the obligations of the Company as servicer under this Schedule TC2. As used in this Schedule TC2, the term "Servicer" includes any successor servicer. All actions by the Company under this Schedule TC2, including collection of Transition Charges, will be undertaken solely in its role as servicer under the Servicing Agreement between the Company and the SPE dated as of December 16, 2005.~~

~~This schedule is applicable to:~~

- ~~1. Retail customers located within the certificated service area of Reliant Energy HL&P (HL&P) as such service area existed on May 1, 1999 who receive electric transmission and/or distribution service through a REP served by the Company and to the facilities, premises and loads of such retail customers;~~
- ~~2. Retail customers located within HL&P's certificated service area as it existed on May 1, 1999 who are presently receiving transmission and/or distribution service either directly from another utility, electric cooperative or municipally owned utility (T or D Provider) or through a REP served by another T or D Provider, and whose request to change service to the other T or D Provider was made after May 1, 1999;~~

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- ~~3. Retail customers located within HL&P's certificated service area as it existed on May 1, 1999 and who are served by New On-Site Generation. New On-Site Generation means "New On-Site Generation" as defined in Section 25.345(c)(1) of the Commission's Substantive Rules.~~
- ~~4. REPs that serve retail customers located within HL&P's certificated service area as it existed on May 1, 1999.~~
- ~~5. Any other entity which, under the terms of the Financing Order or the Utilities Code, may be obligated to pay, bill, collect, or adjust the Transition Charges.~~
- ~~6. This schedule is applicable to public retail customers located within HL&P's certificated service area as it existed on May 1, 1999 who purchase power from the General Land Office as provided for in the Utilities Code, Section 35.102.~~

**SECTION 2: CHARACTER OF TRANSITION CHARGES**

~~Transition Charges are non-bypassable charges. All Transition Charges other than those applicable to New On-Site Generation are computed and paid on the basis of individual end-use retail customer consumption or demand. In accordance with Utilities Code Section 39.252(b) and Section 25.345(i)(3) of the Commission's Substantive Rules, the Transition Charges applicable to use of New On-Site Generation that results in a "material reduction" of the customer's use of energy delivered through the Company's transmission and distribution facilities (as defined in Section 25.345(i)(4) of the Commission's Substantive Rules) are computed and paid based on the output of the on-site generation used to meet the internal electric requirements of the customer. Customers with New On-Site Generation will also be required to pay the Transition Charges applicable to energy actually delivered to the Customer through the Company's facilities. Individual end-use retail customers are responsible for paying Transition Charges billed to them in accordance with the terms of this Schedule TC2 whether the charges are billed directly by Servicer or are included in the bills submitted to the customer by a REP or another entity. Payment is to be made to the entity that bills the customer in accordance with the terms of the Servicing Agreement and the Financing Order. The billing entity may be the Company, a successor servicer, a REP or an entity designated to collect Transition Charges in place of the REP.~~

~~The Transition Charges are separate charges to be paid in addition to any other applicable charges for services received. Although the Transition Charges are separate charges, they may be included within other charges of the billing entity.~~

~~The REP or entity designated to collect Transition Charges in place of the REP will pay Transition Charges (less an allowance for charge-offs calculated pursuant to this Schedule TC2) to Servicer in accordance with the requirements of the Financing Order and this Schedule TC2 whether or not it has collected the Transition Charges from its customers. To the extent that the REP's actual~~

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~~Charge-offs differ from the charge off allowance, adjustments will be made pursuant to this Schedule TC2. The REP will have no right to reimbursement other than as expressly set out in this Schedule TC2.~~

~~Service will remit collections to the SPE in accordance with the terms of the Servicing Agreement.~~

**SECTION 3: TERM**

~~This Schedule TC2 is effective beginning on the date the transition bonds are issued. Schedule TC2 will remain in effect as provided in the Financing Order until the Transition Charges collected and remitted to the SPE are sufficient to satisfy all obligations of the SPE to pay principal and interest on the transition bonds (as due over the 14 year term of the transition bonds) and to pay all other qualified costs as provided in the Financing Order. However, in no event will the Transition Charges be billed for service provided after 15 years from issuance of the transition bonds, or sooner if the transition bonds are paid in full at an earlier date. This Schedule TC2 is irrevocable.~~

**SECTION 4: TRANSITION CHARGE CLASSES**

~~Transition Charges are calculated and applied by Transition Charge Class. There are 15 Transition Charge Classes, nine of which are Capped Classes. Each Transition Charge Class is defined in terms of the base rate tariff classes that existed on HL&P's system on September 1, 1999 ("pre-restructuring rate schedules"). The Transition Charge Classes are defined as follows:~~

~~**Residential Class:** The Residential Class is made up of (i) every customer that was served under HL&P rate schedule RS or RTD on the day before the customer discontinued taking service from HL&P under a pre-restructuring rate schedule, and (ii) each new customer that was not served by HL&P under any pre-restructuring rate schedule, but is the type of customer which, if it had been served by HL&P under pre-restructuring rate schedules would have qualified for service under HL&P's rate schedules RS or RTD.~~

~~**MGS Class:** The MGS Class is made up of (i) every customer that was served under HL&P rate schedule MGS on the day before the customer discontinued taking service from HL&P on a pre-restructuring rate schedule, and (ii) each new customer that was not served by HL&P under any pre-restructuring rate schedule, but is the type of customer which, if it had been served by HL&P under a pre-restructuring rate schedule would have qualified for service under HL&P's rate schedule MGS and whose demand is estimated by the Company to be less than 400 kVa. This class includes customers served under Rider GLTC. Customers served under rate schedules EIS, HVP and CSB are included in the MGS class if the customer's contract for service from HL&P provided that the MGS rate was the basis for pricing.~~

~~**LGS Class:** The LGS Class is made up of (i) every customer that was served under HL&P rate schedule LGS on the day before the customer discontinued taking service from HL&P~~

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on a pre-restructuring rate schedule, and (ii) each new customer that was not served by HL&P under any pre-restructuring rate schedule, but is the type of customer which, if it had been served by HL&P under a pre-restructuring rate schedule would have qualified for service under HL&P's rate schedules LGS and whose demand as estimated by the Company, if served at less than 60,000 volts, is 400 kVa or greater; or if served at 60,000 volts or greater, is at least 400 kVa but less than 2,000 kVa. This class includes customers served under Rider SEI. Customers served under rate schedules EIS, HVP and CSB are included in the LGS class if the customer's contract for service from HL&P provided that the LGS rate was the basis for pricing.

**LOS A Class:** The LOS A Class is made up of (i) every customer that was served under HL&P rate schedule LOS A on the day before the customer discontinued taking service from HL&P on a pre-restructuring rate schedule, and (ii) each new customer that was not served by HL&P under any pre-restructuring rate schedule, but is the type of customer which, if it had been served by HL&P under a pre-restructuring rate schedule would have qualified for service under HL&P's rate schedule LOS A and has a demand as estimated by the Company of 2,000 kVa or greater. Customers served under rate schedules EIS and HVP are included in the LOS A class if the customer's contract for service from HL&P provided that the LOS A rate was the basis for pricing.

**LOS B Class:** The LOS B Class is made up of every customer that was served under HL&P rate schedule LOS B on the day before the customer discontinued taking service from HL&P on a pre-restructuring rate schedule. Customers that were not served by HL&P under any pre-restructuring rate schedule may not be included in this class.

**Non Metered Lighting Class:** The Non Metered Lighting Class is made up of (i) every customer that was served under HL&P rate schedules SPL, MLS or MTA on the day before the customer discontinued taking service from HL&P on a pre-restructuring rate schedule, and (ii) each new customer which was not served by HL&P under any pre-restructuring rate schedule, but is taking outdoor lighting services which are provided on an unmetered basis using lighting fixtures controlled by photo-electric devices which would have qualified for service under HL&P's pre-restructuring rate schedules SPL, MLS and MTA.

In addition to the six Transition Charge Classes described above, there will be nine additional Transition Charge Classes, each of which is a capped class ("Capped Classes"). Each of the Capped Classes will be made up solely of customers that actually received service from HL&P during the 12-month period ended April 30, 1999 under the HL&P rate schedule related to the class and any SIP customers with a contract effective date after April 30, 1999 and before January 1, 2002. The nine Capped Classes, and the related rate schedule, are as follows:

| Capped Class                                    | Related Rate Schedule |
|---|-----------------------|
| Standby Electric Service—Distribution           | SES                   |
| Interruptible Service Supplemental—Distribution | ISS                   |

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| Capped Class                                    | Related Rate Schedule |
|---|-----------------------|
| Interruptible Service—30 minute notice          | IS-30                 |
| Interruptible Service—10 minute notice          | IS-10 & SIP           |
| Interruptible Service—Instantaneous             | IS-I                  |
| Interruptible Service Supplemental—Transmission | ISS                   |
| Standby Electric Service—Transmission           | SES                   |
| Standby Interruptible Service                   | SBI                   |
| Special Contract Pricing                        | SCP                   |

Each customer in one or more of the nine Capped Classes will be charged the Transition Charges for the applicable class only for service the customer actually receives during the billing period up to the Monthly Cap. The Monthly Cap for each customer will be based on the amount of service the customer received under the related rate schedule during the 12-month period ended April 30, 1999 or for any SIP customer, the Monthly Cap will be based on the customer's average monthly interruptible demand corresponding to the initial MFC under the customer's SIP contract effective after April 30, 1999 and before January 1, 2002, and calculated as follows:

- 1) For customers which took stand alone standby service (SBI and/or SES without other service), the Monthly Cap for SBI and SES will be the highest demand under the respective rate, during the 12-month period ended April 30, 1999. If a customer began service under SES and/or SBI after April 30, 1999, the Monthly Cap for such customer's will be the highest demand under rate SES or SBI, as applicable, during the period from April 30, 1999 to January 1, 2002, if the customer provides the Company adequate documentation that (i) the additional load served was on-site load normally served by the customer's on-site generation and (ii) the customer's on-site generation was out of service due to forced outage or maintenance. If the customer does not provide the required documentation, the additional load will be billed using the Transition Charges applicable to the LGS Class for distribution voltage customers or LOS A Class for transmission voltage customers.
- 2) For customers which took SBI and/or SES in combination with other services, the Transition Charge for additional load taken in excess of the Monthly Cap will be the Transition Charge for the LOS A class restated and applied as a cents per KWh charge if the customer provides the Company adequate documentation that (i) the additional load was lawfully served without use of the Company's transmission and distribution facilities and (ii) the customer's on-site generation was out of service due to forced outage or maintenance. If the customer does not provide the required documentation, the additional load will be billed using the Transition Charges applicable to the LOS A Class for transmission voltage customers applied on a kW basis.
- 3) For any SCP customer that also received service under a non-Capped Class, the SCP rate will have a Monthly Cap based on the amount of service the customer received under the SCP rate schedule during the 12-month period ended April 30, 1999. The



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~~Monthly Cap will be the customer's monthly maximum hourly kW under the SCP rate schedule during the peak hours as defined herein, summed for the 12 month period ended April 30, 1999 and divided by the number of months during which the customer actually consumed power under the SCP rate schedule.~~

~~4) For all other customers in Capped Classes, the Monthly Cap will be the customer's monthly maximum hourly kW under the related rate schedule during the peak hours as defined herein, summed for the 12 month period ended April 30, 1999 or alternate period applicable to any SIP customer and divided by the number of months during which the customer actually consumed power under the rate schedule. For monthly service in excess of the Monthly Cap(s), the charge associated with customer's non-capped Transition Charge Class will apply. If the customer is served at distribution voltage and did not have service associated with one of the six non-capped Transition Charge Classes, the customer will be required to pay the Transition Charges applicable to the LGS Class for all monthly service in excess of its Monthly Cap. If the customer is served at transmission voltage and did not have service associated with one of the six non-capped Transition Charge Classes, the customer will be required to pay the Transition Charges applicable to the LOS-A Class for all monthly service in excess of its Monthly Cap.~~

~~The categories of service historically provided by HL&P ceased to exist after electric business activities were unbundled pursuant to Section 39.051 of the Utilities Code. Similarly, since the advent of customer choice under Section 39.102 of the Utilities Code, retail customers receive service that may not only have different names, but may have different characteristics than the service historically provided by HL&P. The classifications set out in the preceding paragraphs will be applied to determine the Transition Charge applicable to each customer without regard to the descriptions that may be used to describe the services currently provided to retail customers.~~

**SECTION 5: PERIODIC BILLING REQUIREMENT ALLOCATION FACTORS**

~~The initial Periodic Billing Requirement Allocation Factors ("PBRAF") for each Transition Charge Class are set out below. These initial PBRAs will remain in effect throughout the life of the transition bonds unless a modification of the factors is made pursuant to the allocation factor adjustment provisions in Section 6 of this Schedule TC2:~~

***INITIAL PERIODIC BILLING REQUIREMENT ALLOCATION FACTORS***

| <b><i>TRANSITION CHARGE<br/>CLASS</i></b> | <b><i>PBRA</i></b> |
|---|--------------------|
| Residential                               | 40.0412%           |
| MGS                                       | 29.0309%           |
| LGS                                       | 16.1206%           |
| LOS-A                                     | 4.7917%            |
| LOS-B                                     | 2.7598%            |

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| <i><b>TRANSITION CHARGE<br/>CLASS</b></i>          | <i><b>PBRAf</b></i> |
|--|---------------------|
| Non-Metered Lighting                               | 0.6600%             |
| <b>CAPPED CLASSES</b>                              |                     |
| Standby Electric Service-<br>Distribution          | 0.0323%             |
| Interruptible Service<br>Supplemental Distribution | 0.1578%             |
| Interruptible Service—Thirty<br>Minute Notice      | 1.0392%             |
| Interruptible Service—Ten<br>Minute Notice         | 1.8814%             |
| Interruptible Service—<br>Instantaneous            | 0.2454%             |
| Interruptible Service<br>Supplemental—Transmission | 0.0672%             |
| Standby Electric Service—<br>Transmission          | 0.2383%             |
| Standby Interruptible Service                      | 0.2076%             |
| Special Contract Pricing                           | 2.7266%             |

**SECTION 6: ALLOCATION FACTOR ADJUSTMENTS**

The PBRAFs will be subject to adjustment using the procedures in this Section 6. Any adjustment required under this Section 6 will be made effective on the date of an annual Standard True-up Adjustment. Required adjustments will be made in the following order: first, adjustments will be made under Part A; second, adjustments will be made under Part B; and third, adjustments will be made under Part C.

For purposes of determining whether an allocation adjustment is required under Parts B and C of this Section 6 and adjusting PBRAFs pursuant to those Parts, the Transition Charge Classes will be combined into three groups (TC Groups) as follows:



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***TC GROUPS***

| <b><i>TC GROUP</i></b> | <b><i>TRANSITION CHARGE CLASSES</i></b> | <b><i>INITIAL GROUP ALLOCATION PERCENTAGE</i></b> |
|------------------------|---|---|
| Residential            | Residential                             | 40.0412%  |
| Commercial             | MGS, LGS, Non Metered Lighting          | 45.8115%  |
| Industrial             | All other Transition Charge Classes     | 14.1473%  |

**Part A: Adjustments Due to Load Loss Qualifying under Utilities Code Section 39.262(k)**

The PBRAFs shall be adjusted consistent with the Utilities Code to reflect the loss of loads due to operations of facilities that are "Eligible Generation" as defined in PUC Subst. Rule 25.345 (c) (2) ("Eligible Generation") except that this Part A shall not apply to, and the term "Eligible Generation" shall not include, load loss due to installation and operation of small power production facilities with a rated capacity of 10 megawatts or less. Any adjustments required under this Part A will be calculated as follows:

Step 1—The Company will determine the amount of service provided during the twelve months ended April 30, 1999 that has been replaced by Eligible Generation (excluding amounts reflected in either the Initial PBRAFs or a prior adjustment under this Part A) and sum the losses by Transition Charge Class.

Step 2—The Company will recalculate the PBRAFs for all Transition Charge Classes using the spreadsheet and data used to compute the initial PBRAFs but reducing the demand allocation factors for each Transition Charge Class to reflect the cumulative losses for that class as calculated under Step 1 (including losses for which PBRAF adjustments were made in prior years). No other changes to the spreadsheet or data used to compute the initial PBRAFs will be made. Appendix A to this Schedule TC2 contains the spreadsheet and data used to compute the initial PBRAFs.

Step 3—An Adjusted Group Allocation Percentage for each TC Group shall then be calculated as the sum of the Adjusted PBRAFs (computed under Step 2) for all Transition Charge Classes within the TC Group.

**Part B: Inter-Group Adjustments Due to Cumulative Load Loss Not Attributable to Eligible Generation**

In connection with each annual Standard True-up Adjustment, the Company will compare the projected billing determinants being used to set Transition Charges for each Transition Charge Class during the ensuing year to the billing determinants in effect on the original effective date of

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Schedule TC2 (adjusted to exclude any billing determinants attributable to Eligible Generation if any adjustment was made under Part A after the original effective date) (such billing determinants as adjusted are hereafter referred to as the "Base Billing Determinants"). The PBRAFs of all Transition Charge Classes in all TC Groups will be adjusted if one or more TC Groups experience load loss (calculated excluding load loss attributable to Eligible Generation for which adjustments have been made under Part A but including load loss attributable to small power production facilities of 10 megawatts or less) aggregating 50% or more on a cumulative basis when measured against the Base Billing Determinants. The adjustments under this Part B will be made using the following procedures:

Step 1:

|   |   |
|---|---|
| For each TC Group, if $CTCOL_G / PBR_G \geq 0.50$   | Then, no PBRAF adjustment will occur and any adjustment made in previous years under Part B shall be reversed |
| For each TC Group, if $CTCOL_G / PBR_G < 0.50$  | Then, a PBRAF adjustment will be calculated pursuant to Steps 2 through 5.                                    |
| <p>Where:</p> <p><math>CTCOL_G</math> = cumulative test collections for group G = <math>\sum CC_c * FBU_c</math> for all classes (c) in Group (G)</p> <p><math>FBU_c</math> = forecasted billing determinants for class c</p> <p><math>CC_c</math> = cumulative test charge for class c = <math>(PBRAF_c * PBR_T) / BBD_c</math></p> <p><math>PBRAF_c</math> = the PBRAFs then in effect, or if an adjustment has been made under Part A, the adjusted PBRAFs from Part A</p> <p><math>PBR_T</math> = total periodic billing requirement for upcoming period <math>BBD_c</math> = Base Billing Determinants for class c</p> <p><math>PBR_G</math> = periodic billing requirement for group = <math>\sum PBRAF_c * PBR_T</math> for all classes in G</p> |   |

Step 2:

For each TC Group in Step 1 where  $CTCOL_G / PBR_G < 0.50$ , a reduction amount ( $RED_G$ ) will be calculated for group G where

$$RED_G = 0.5 (PBR_G - CTCOL_G)$$

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Step 3:

For all TC Groups, a reallocation amount for that group ( $RA_G$ ) shall be calculated where:

$$RA_G = GAP_G * \{\sum RED_G\} \text{ for all Groups}$$

Where:

Step 4:

For all TC groups a Group Allocation Percentage Adjustment ( $GAPA_G$ ) shall be calculated where:

$$GAPA_G = (RA_G - RED_G) / PBR_T$$

Step 5:

For all TC classes, the PBRAF adjustment for class e ( $PBRAFA_e$ ) will be calculated for use in calculating adjustments to the Transition Charges under Section 8, Part A where

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**Part C: Inter-Group Adjustments Due to Year-Over-Year Load Loss Not Attributable to Eligible Generation**

In connection with each annual Standard True-up Adjustment, the Company will compare the projected billing determinants being used to set Transition Charges for each Transition Charge Class during the ensuing year to the forecasted billing determinants used to develop the then currently effective Transition Charges for the class minus the Eligible Generation load loss for the class determined in Step 1 of Part A after the billing determinant for the currently effective Transition Charges was determined (such adjusted amount is hereinafter referred to as the "Prior Year Billing Determinant"). The PBRAFs of all Transition Charge Classes in all TC Groups will be adjusted if (i) one or more TC Groups experience load loss (calculated excluding load loss attributable to Eligible Generation for which adjustments have been made under Part A but including load loss attributable to small power production facilities of 10 megawatts or less) of 10% or greater on a year-over-year basis when compared to the Prior Year Billing Determinants or (ii) any TC Group for which an adjustment was made under this Part C in one or more prior years experiences load growth resulting in projected billing determinants for the current year at a level which, if they had existed in one or more of such prior year(s) would have resulted in no adjustment to PBRAFs in such prior year(s). No reduction in PBRAFs will be made under this Part C for any TC Group for which a reduction amount was computed under Step 5 of Part B. The adjustments under this Part C will be made using the following procedures:

**Step 1:**

For each TC Group not adjusted under Part B,

|                                |   |
|--------------------------------|---|
| If $YTCOL_G / PBR_G \geq 0.90$ | Then, no PBRAF adjustment will occur.   |
| If $YTCOL_G / PBR_G > 1.00$    | Then, no PBRAF adjustment will occur and any prior year adjustments made under C will be reversed pursuant to step 6. |
| If $YTCOL_G / PBR_G < 0.90$    | Then, a PBRAF adjustment will be calculated pursuant to Steps 2 through 5.  |

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Where:

$YTCOL_G$  = year to year test collections for group  $G = \sum YC_e * FBU_e$  for all classes (e) in Group (G)

$FBU_e$  = forecasted billing determinants for class e

$YC_e$  = year to year test charge for class e =  $\{PBRAF_e * PBR_T\} / FBU_e^{-1}$

$PBRAFe$  = the PBRAFs then in effect, or if an adjustment has been made under Part A, the adjusted PBRAFs from Part A

$PBR_T$  = total periodic billing requirement for upcoming period

$FBU_e^{-1}$  = prior year's forecasted billing determinants for class e

$PBR_G$  = periodic billing requirement for group =  $\sum PBRAF_e * PBR_T$  for all classes in the group

Step 2:

For each TC Group in Step 1 where  $YTCOL_G / PBR_G < 0.90$ , a year to year reduction amount ( $YRED_G$ ) shall be calculated where

$$YRED_G = 0.9 (PBR_G - YTCOL_G)$$

Step 3:

For all TC Groups, a year to year reallocation amount ( $YRA_G$ ) shall be calculated where:

$$YRA_G = GAP_G * \{\sum YRED_G\} \text{ for all groups}$$

Where:

$GAP_G$  = Group Allocation Percentage =  $\sum PBRAF_e$  for all classes in the group

Step 4:

For all TC groups a year to year group allocation percentage adjustment ( $YGAPA_G$ ) shall be calculated where:

$$YGAPA_G = (YRA_G - YRED_G) / PBR_T$$

Where  $\sum GAPA_G = 0$  for all G

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Step 5:

For all TC classes, a year to year PBRAF adjustment ( $YPBRAFA_e$ ) shall be calculated for use in calculating adjustments to the Transition Charges under Section 8, Part A where:

$$YPBRAFA_e = YGAPAG * (PBRAF_e / GAP_G)$$

Step 6:

if  $\{\sum(YC_e * FBU_e)\} / \{\sum(YC_e * FBU_e^{t-1})\} \geq .90$  (for all classes in group G) then the adjustment made in year t shall be discontinued.

if  $\{\sum(YC_e * FBU_e)\} / \{\sum(YC_e * FBU_e^{t-1})\} < .90$  (for all classes in group G) then the adjustment made in year t carries forward.

Where  $FBU_e^{t-1}$  is the forecasted billing determinants from the year prior to the year an adjustment was made adjusted to reflect any adjustments made under part A between year t-1 and the current year.

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**Part D: ~~Adjustments to Base Class Allocations~~**

~~The methodology used to allocate qualified costs and determine Transition Charges shall not be changed except in the limited circumstance described in this paragraph. If, but only if, the total retail stranded costs (determined pursuant to Section 39.253 of the Utilities Code) on a statewide basis exceed \$5 billion, then the qualified costs attributable to the Company's share of the statewide stranded costs in excess of \$5 billion shall be reallocated using the allocation methodology prescribed in Section 39.253(f) of the Utilities Code. The Company's share of the statewide stranded costs in excess of \$5 billion shall be determined by multiplying (i) the percentage obtained by dividing the Company's total stranded costs (determined pursuant to Section 39.253(f)) by the total statewide stranded costs (determined pursuant to Section 39.253(f)) by (ii) the amount by which the total statewide stranded costs (determined pursuant to Section 39.253(f)) exceed \$5 billion. The qualified costs attributable to the Company's share of the statewide stranded costs shall then be determined by multiplying (i) the Company's share of the statewide stranded costs by (ii) the percentage obtained by dividing (a) the Company's stranded costs (determined pursuant to Section 39.253(f)) which were securitized pursuant to the Financing Order dated March 16, 2005 in Docket No. 30485 by (b) the Company's total stranded costs (determined pursuant to Section 39.253(f)). The Company shall file the adjustments required herein, within 45 days after the Commission issues any order determining a utility's stranded costs or regulatory assets that causes the total statewide stranded costs (determined pursuant to Section 39.253(f)) to exceed \$5 billion or changes the amount by which the total statewide stranded costs (determined pursuant to Section 39.253(f)) exceed \$5 billion. Any changes in Transition Charges resulting from a change in the initial or adjusted PBRAFs under this Part D shall be made prospectively from the date of the Commission's order approving adjusted PBRAFs under this Part D. No change in an initial or adjusted PBRAF shall cause the sum of all PBRAFs to be more than or less than 100% or change the total Periodic Billing Requirement for any period. Transition Charges for services rendered prior to such effective date will not be changed. Future changes to the PBRAFs underlying the recomputed Transition Charges, if necessary under Parts A–D of this Section 6 will be computed pursuant to this Section 6 using the initial and adjusted PRBAFs as determined by the Commission pursuant to this Part D.~~

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**SECTION 7: TRANSITION CHARGES**

The Transition Charges to be applied beginning on the effective date of this Schedule TC2 are set out below. Transition Charges to be applied in subsequent periods (Adjusted Transition Charges) will be determined in the manner described in Section 8.

***TRANSITION CHARGES***

| TRANSITION CHARGE CLASS                         | PER-UNIT CHARGE | BILLING UNIT |
|---|-----------------|--------------|
| Residential                                     | \$0.000000      | Per kWh      |
| MGS-T   | \$0.000000      | Per kW       |
| MGS-D   | \$0.000000      | Per kWh      |
| LGS-D   | \$0.000000      | Per kVa      |
| LGS-T   | \$0.000000      | Per kW       |
| LOS-A   | \$0.000000      | Per kW       |
| LOS-B   | \$0.000000      | Per kW       |
| Non-Metered Lighting                            | \$0.000000      | Per kWh      |
| <b>CAPPED CLASSES:</b>                          |                 |              |
| Standby Electric Service-Distribution           | \$0.000000      | Per kW       |
| Interruptible Service Supplemental-Distribution | \$0.000000      | Per kW       |
| Interruptible Service—Thirty Minute Notice      | \$0.000000      | Per kW       |
| Interruptible Service—Ten Minute Notice         | \$0.000000      | Per kW       |
| Interruptible Service—Instantaneous             | \$0.000000      | Per kW       |
| Interruptible Service Supplemental—Transmission | \$0.000000      | Per kW       |
| Standby Electric Service—Transmission           | \$0.000000      | Per kW       |
| Standby Interruptible Service                   | \$0.000000      | Per kW       |
| Special Contract Pricing                        | \$0.000000      | Per kW       |

The Transition Charges shall be applied on a kW basis for all service provided at Transmission voltage and for all service provided to Capped Classes and to any LGS customer that also received SES Distribution service. The kW to be used in calculating the bill for those customers obligated to pay on a kW basis will be the highest kW for the month measured over a one-hour period occurring on weekdays (Monday through Friday) during the sixteen hours beginning with and



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including the hour that ends at seven (a.m.) (07:00) and extending until the hour that ends at ten p.m. (22:00), local time (central standard or central daylight saving time, as appropriate).

Except for customers in the MGS class, the Transition Charges shall be applied on a kVa basis for all service provided at distribution voltage (other than service at distribution voltage to Capped Classes or to LGS customers that also received SES Distribution service) and whose kVa is greater than 10 kVa in the billing month. The kVa will be the highest kVa measured over a 15 minute period during the month if the metering equipment has indicators for measuring and recording only the highest demand during the billing period, otherwise if the metering equipment measures and records continuously for all 15 minute periods the kVa will be the average of the 4 highest 15 minute periods measured during the billing period. If the demand meters used to meter service to a customer measure service is on a kW basis instead of a kVa basis or measure in intervals different than 15 minutes (e.g. 5, 10, 30 minutes) the transition charge to the customer will be based on the kW with the interval measurement period closest to a 15 minute period.

Transition Charges will be applied on a kWh basis for those customers with watt-hour meters and those customers with demand meters whose measured demand is 10 kVa or less, all Residential customers, all Non Metered Lighting customers and all MGS customers served at distribution voltage.

Each retail customer shall be obligated to pay Transition Charges for its applicable class. The Transition Charge shall be applied to all service received by the customer during the applicable billing period. If a customer was taking service in more than one rate class through one point of service on April 30, 1999, or on the day before the customer discontinued taking service from H&P on a pre-restructuring rate schedule, its Transition Charges shall be determined as follows:

1. For customers taking service under two or more rates through a single meter, the following order will be used to determine Transition Charges for the customer:
  - (a) If the customer takes service in one or more Capped Classes (other than SCP) through a single meter, the service shall be allocated first to Capped Classes in ascending order of unit Transition Charges beginning with the Capped Class with the lowest unit Transition Charge. All service to the customer, up to the lesser of (i) the highest hourly on-peak kW for total premises load (Total kW) or the Monthly Cap for the class, shall be deemed to be service under the Capped Class with the lowest unit Transition Charge. If the Total kW is greater than the Monthly Cap for the class with lowest unit Transition Charge, the difference up to the Monthly Cap for the Capped Class with the next lowest unit Transition Charge will be deemed to be service under the Capped Class with the next lowest unit Transition Charge. The remainder will then similarly be allocated to each other Capped Class

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under which the customer is served until the Total kW has been allocated or all applicable Monthly Caps have been reached.

- (b) ~~If the total amount allocated to Capped Classes under (a) is less than the Total kW, the remainder, up to the Monthly Cap for SCP shall be deemed to be service provided under SCP.~~
- (c) ~~Any amount remaining after the allocations in (a) and (b) will be deemed to be service provided under the Transition Charge Class (other than Capped Classes and SCP) that is applicable to the customer. If the customer is not otherwise taking service under any Transition Charge Class (other than Capped Classes and SCP) the amount remaining after the allocations in (a) and (b) shall be deemed to be service under LOS A, if the customer is served at transmission voltage, or under LGS, if the customer is served at distribution voltage.~~

~~In addition, each customer which has New On-Site Generation shall pay an amount each month computed by multiplying the output of the on-site generation used to serve the internal electric requirements of the customer (either kW or kVa, as determined by the Transition Charge class for which the customer would qualify if it were being served by the Company or an REP) by the Transition Charge in effect for services provided to customers in that class during the month. This amount shall be in addition to any Transition Charges applicable to energy or demand actually delivered to the customer through the Company's or another T&D Provider's facilities.~~

#### **SECTION 8: STANDARD TRUE UP FOR ADJUSTMENT OF TRANSITION CHARGES**

~~Transition Charges will be adjusted annually effective on December 1st to ensure that the expected collection of Transition Charges is adequate to pay principal and interest on the transition bonds when due pursuant to the expected amortization schedule, pay as due all other qualified costs and to fund the overcollateralization account to the required level. In addition to these annual true-up adjustments, true-up adjustments may be made more frequently at any time during the term of the transition bonds to correct any undercollection or overcollection, as provided for in the Financing Order, in order to assure timely payment of transition bonds based on rating agency and bondholder considerations. In addition to the foregoing, either of the following two conditions may result in an interim true-up adjustment in the month prior to an upcoming transition bond principal payment date:~~

- a) ~~The collection of transition charges for the upcoming payment date will result in a difference that is greater than 5% in absolute value, between (i) the actual outstanding principal balances of the transition bonds plus~~

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~~amounts on deposit in the reserve subaccount and (ii) the outstanding principal balances anticipated in the target amortization schedule; or~~

- b) ~~—— To meet a rating agency requirement that any series of transition bonds be paid in full by the expected maturity date for any series of transition bonds that matures after a date determined mutually, at the time of pricing by CenterPoint Houston and the Commission's designated personnel or financial advisor.~~

~~In no event will interim true-up adjustments occur more frequently than every three months if quarterly transition bond payments are required or every six months if semi-annual transition bond payments are required; provided, however, that interim true-up adjustments for any transition bonds remaining outstanding during the fourteenth and fifteenth year after the bonds are issued may occur quarterly.~~

~~All annual and interim adjustments will be designed to cause (i) the outstanding principal balance of the transition bonds to be equal to the scheduled balance on the expected amortization schedule; (ii) the amount in the overcollateralization subaccount to be equal to the required overcollateralization level; (iii) the amount in the capital subaccount to be equal to the required capital plus any investment earnings on amounts in the capital subaccount to the extent that the investment earnings have not been released to the SPE and (iv) the reserve subaccount to be zero by the payment date immediately preceding the next adjustment or by the final payment date, if the next payment date is the final payment date.~~

**Part A: TRUE-UP ADJUSTMENT PROCEDURE FOR STANDARD AND INTERIM TRUE-UPS**

~~Servicer will calculate the Adjusted Transition Charges using the methodology described below and will file the Adjusted Transition Charges with the Commission. Annual adjustments will be filed 15 days prior to the effective date of the Adjusted Transition Charges unless an adjustment to the PBRAFs is required under Section 6 (including Intra-Group Allocation Adjustments under Part D of Section 6) in which case the annual adjustment will be filed not later than 90 days prior to the effective date. Interim Adjustments will be filed not less than 15 days prior to the effective date of the Adjusted Transition Charges.~~

~~The Adjusted Transition Charge for the upcoming period for each class (TC<sub>e</sub>) shall be computed as follows:~~

~~For the residential class,~~

$$\text{TC}_e = \text{PBR}_1 * (\text{PBR AF}_e + \text{PBR AFA}_e + \text{Y PBR AFA}_e^5) / \text{FBU}_e$$

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For classes in the Commercial and Industrial TC Groups, except if any class in the Industrial Group is forecast for the ensuing period to experience more than a 10% reduction in billing determinants compared to the industrial base billing determinants for that class, then the transition charges for the classes within the Industrial TC Group will be determined according to Section 8, Part B:

$$TC_e = TC_e^{-1} \{ \Sigma [PBR_T * (PBRAF_e + PBRAFA_e + YPBRAFA_e^t)] / \Sigma (TC_e^{-1} * FBU_e) \}$$

For all classes in the applicable group:

Where

$TC_e^{-1}$  = the transition charge for that class from the previous period

~~PBR<sub>T</sub> = Periodic Billing Requirement for the ensuing period (the 12 months beginning on the effective date of the adjusted transition charges in the case of annual true-ups and the period until the next scheduled annual true-up in the case of interim adjustments). The Periodic Billing Requirement will be the amounts required to pay principal and interest on the transition bonds when due pursuant to the expected amortization schedule, pay as due all other qualified costs, fund the overcollateralization account to the required level, and recover any net system under collections or credit any net system over collections so that (i) the outstanding principal balance of the transition bonds will be equal to the scheduled balance on the expected amortization schedule; (ii) the amount in the overcollateralization subaccount will be equal to the required overcollateralization level; (iii) the amount in the capital subaccount will be equal to the required capital plus any investment earnings on amounts in the capital subaccount to the extent that the investment earnings have not been released to the SPE and (iv) the reserve subaccount will be zero by the payment date immediately preceding the next adjustment or by the final payment date, if the next payment date is the final payment date.~~

~~PBRAFe = the PBRATs then in effect, or if an adjustment has been made under Section 6, Part A, the adjusted PBRATs from Section 6, Part A.~~

~~PBRAFA<sub>e</sub> = the adjustment (if any) from Section 6, Part B, Step 5~~

~~YPBRAFA<sub>e</sub><sup>t</sup> = the adjustment from Section 6, Part C, Step 5 for every year t in which an adjustment was made unless that adjustment was discontinued under Section 6, Part C, Step 6.~~

~~FBU<sub>e</sub> = the forecasted billing determinants for the upcoming period~~

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**Part B: ~~Intra Industrial Group Adjustments Due to Cumulative Load Loss Not~~  
Attributable to Eligible Generation**

~~In connection with each annual Standard True-up Adjustment, the Company will compare the projected billing determinants being used to set Transition Charges for each Industrial Group Transition Charge Class during the ensuing year to the billing determinants for the period November 2003 through October 2004 (adjusted to exclude any billing determinants attributable to Eligible Generation if any adjustment was made under Section 6, Part A after October 2004) (such billing determinants as adjusted are hereafter referred to as the "Industrial Base Year Billing Determinants"). The Transition Charges of all Transition Charge Classes in the Industrial TC Group will be adjusted if one or more Transition Charge Classes experience load loss (calculated excluding load loss attributable to Eligible Generation for which adjustments have been made under Section 6, Part A but including load loss attributable to small power production facilities of 10 megawatts or less) aggregating more than 10% on a cumulative basis when measured against the Industrial Base Year Billing Determinants. The adjustments under this Part B will be made using the following procedures:~~

|   |   |
|---|---|
| <p>Step 1:</p> <p>If <math>FBUE / IBDE \geq 0.90</math> for each Industrial TC Class</p>  | <p><del>Then, no adjustments will occur under this Section 8, Part B and the transition charge for each Industrial TC class will be calculated under Section 8, Part A.</del></p> |
| <p>If <math>FBUE / IBDE &lt; 0.90</math> for any Industrial TC Class (Load Loss Class)</p>  | <p><del>Then, adjustments will be calculated pursuant to Steps 2 through 6.</del></p>   |
| <p>Where:</p> <p><math>FBUE</math> = forecasted billing determinants for class e</p> <p><math>IBDE</math> = Industrial Base Year Billing Determinants for class e</p> |   |

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Step 2:

For each Industrial TC Class in Step 1 where  $FBU_e / IBD_e < 0.90$ , a reduction amount ( $RED_e$ ) will be calculated as follows:

$$RED_e = PBR_e - TCLL_e$$

Where:

$$PBR_e = PBR_T * PBRAF_e$$

$$TCLL_e = \text{Test Collections with 10\% Load Loss for Class } e = [PBR_e / (IBD_e * 0.9)] * FBU_e$$

$PBR_T$  = total periodic billing requirement for upcoming period

$PBRAF_e$  = the PBRAFs then in effect, including any adjustment made under Section 6, Part A; plus any adjustment made under Section 6, Part B and Section 6, Part C unless the adjustment was discontinued.

Step 3:

For each Industrial TC class for which a reduction amount was not calculated in Step 2 and whose  $TC_e^{+} \leq TC_{LOS_A}^{+}$ , a reallocation amount shall be calculated as follows:

$$RA_e = IAP_e * \sum RED_e \text{ for all classes}$$

Where:

$IAP_e$  = Intra-Group Allocation Percentage for class  $e = PBRAF_e / \sum PBRAF_e$  for all Industrial TC Classes for which a reduction amount was not calculated in Step 2 and whose  $TC_e^{+} \leq TC_{LOS_A}^{+}$

$TC_{LOS_A}^{+}$  = Transition Charge implemented for the LOSA TC class in the last true-up filing

$TC_e^{+}$  = Transition Charge implemented for class  $e$  in the last true-up filing

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Step 4:

The adjusted transition charge for a class ( $TC_e$ ) shall be calculated as follows:

For those Industrial TC Classes receiving a reallocation amount in Step 3:

$$TC_e = [PBR_e + RA_e] / FBU_e$$

For all other Industrial TC Classes:

$$TC_e = [PBR_e - RED_e] / FBU_e$$

Step 5:

Calculate the percent increase in the Transition Charge from the Base Year as follows:

$$PI_e = (TC_e / TC_e^{BASE}) - 1$$

Where:

$TC_e$  = The adjusted transition charge calculated in Step 4

$TC_e^{BASE}$  = The transition charge calculated using the Industrial Base Year Billing Determinants.

Step 6:

A. For any Industrial TC Class where PI is less than the PI for the TC Classes identified in Step 1 as Load Loss Classes:

B. If PI for any Industrial TC Class is greater than or equal to the PI for the Load Loss Classes identified in Step 1, then calculate an initial Equal Percent Increase for that class and the Load Loss Classes identified in Step 1:

$$TC_e^{FINAL} = TC_e^{BASE} * (1 + EPI^{INITIAL})$$

Where:

$EPI^{INITIAL}$  = initial Equal Percent Increase =  $\Sigma (TC_e * FBU_e) / \Sigma (TC_e^{BASE} * FBU_e)$  for only those Industrial TC Classes identified in Step 1 as Load Loss Classes

C. In the event that  $EPI^{INITIAL}$  for any Industrial TC Class, other than a Load Loss Class identified in Step 1, exceeds the  $PI_e$  calculated in Step 5, then for that Class,



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$$TC_e^{FINAL} = TC_e$$

- D. For the remaining classes, a final Equal Percent Increase will be calculated to reflect the exclusion of the Classes identified in Step 6, Parts A and C above as follows:

$$TC_e^{FINAL} = TC_e^{BASE} * (1 + EPI^{FINAL})$$

Where:

$EPI^{FINAL}$  = final Equal Percent Increase =  $\Sigma (TC_e * FBU_e) / \Sigma (TC_e^{BASE} * FBU_e)$  for only those Industrial TC Classes remaining in Step 6, Part D.

**SECTION 9: BILLING AND COLLECTION TERMS AND CONDITIONS**

Transition Charges will be billed and collected as set forth in this Schedule TC2. The terms and conditions for each party are set forth below.

A. Billings by Servicer to other T or D Providers:

1. Transition Charges applicable to former retail customers of the Company in multiply certificated service areas who are now taking service directly from other T or D Providers or through REPs served by other T or D Providers will be billed to and collected from the other T or D Provider, which, in turn will be responsible for collecting the Transition Charges from the retail customers and REPs.
2. The T or D Provider shall pay all Transition Charges not later than 35 days after bill is mailed by Servicer. The T or D Provider shall make such payment regardless of whether it collects such charges from the end use retail customer or REP.

B. Billings by Servicer to New On-Site Generation:

1. Customers subject to Transition Charges for New On-Site Generation shall pay such charges in full not later than sixteen days after the date the bill is mailed to the customer.
2. Transition Charges applicable to New On-Site Generation are in addition to applicable transition charges under A above or C below.
3. If the entity with New On-Site Generation receives transmission or distribution service from the Company or another T or D Provider, Servicer shall have the same right to terminate service or require the other provider to terminate service for



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~~non-payment of Transition Charges as the Company has to terminate service for non-payment of charges under the Company's rate schedules. Any termination shall comply with applicable Commission rules.~~

~~C. Billings by the REP or its replacement to end-use customers:~~

- ~~1. REPs will bill and collect, or cause to be billed and collected, all Transition Charges applicable to consumption by retail customers served by the REP.~~
- ~~2. If Servicer is providing the metering, metering data will be provided to the REP at the same time as the billing. If Servicer is not providing the metering, the entity providing metering services will be responsible for complying with Commission rules and ensuring that Servicer and the REP will receive timely and accurate metering data in order for Servicer to meet its obligations under the Servicing Agreement and the Financing Order with respect to billing and true-ups.~~
- ~~3. Each REP must (1) have a long term, unsecured credit rating of not less than "BBB-" and "Baa3" (or the equivalent) from Standard & Poor's and Moody's Investors Service, respectively, or (2) provide (A) a deposit of two months' maximum expected Transition Charge collections in the form of cash, (B) an affiliate guarantee, surety bond, or letter of credit providing for payment of such amount of Transition Charge collections in the event that the REP defaults in its payment obligations, or (C) a combination of any of the foregoing. A REP that does not have or maintain the requisite long term, unsecured credit rating may select which alternate form of deposit, credit support, or combination thereof it will utilize, in its sole discretion. The indenture trustee shall be the beneficiary of any affiliate guarantee, surety bond or letter of credit. The provider of any affiliate guarantee, surety bond, or letter of credit must have and maintain a long term, unsecured credit ratings of not less than "BBB-" and "Baa3" (or the equivalent) from Standard & Poor's and Moody's Investors Service, respectively.~~
- ~~4. If the long term, unsecured credit rating from either Standard & Poor's or Moody's Investors Service of a REP that did not previously provide the alternate form of deposit, credit support, or combination thereof or of any provider of an affiliate guarantee, surety bond, or letter of credit is suspended, withdrawn, or downgraded below "BBB-" or "Baa3" (or the equivalent), the REP must provide the alternate form of deposit, credit support, or combination thereof, or new forms thereof, in each case from providers with the requisite ratings, within 10 business days following such suspension, withdrawal, or downgrade. A REP failing to make such provision must comply with the provisions set forth in paragraph 3 of Section D, Billings by Servicer to the REP or its replacement (when applicable).~~

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5. ~~The computation of the size of a required deposit shall be agreed upon by Servicer and the REP, and reviewed no more frequently than quarterly to ensure that the deposit accurately reflects two months' maximum collections. Within 10 business days following such review, (1) the REP shall remit to the indenture trustee the amount of any shortfall in such required deposit or (2) Servicer shall instruct the indenture trustee to remit to the REP any amount in excess of such required deposit. A REP failing to so remit any such shortfall must comply with the provisions set forth in Paragraph 3 of the Section D, Billings by Servicer to the REP or its replacement (when applicable). REP cash deposits shall be held by the indenture trustee, maintained in a segregated account, and invested in short term high quality investments, as permitted by the rating agencies rating the transition bonds. Investment earnings on REP cash deposits shall be considered part of such cash deposits so long as they remain on deposit with the indenture trustee. At the instruction of Servicer, cash deposits will be remitted with investment earnings to the REP at the end of the term of the transition bonds unless otherwise utilized for the payment of the REP's obligations for Transition Bond payments. Once the deposit is no longer required, Servicer shall promptly (but not later than 30 calendar days) instruct the indenture trustee to remit the amounts in the segregated accounts to the REP.~~
6. ~~In the event that a REP or the Provider of Last Resort (POLR) is billing customers for Transition Charges, the REP shall have the right to transfer the customers to the POLR (or to another certified REP) or to direct Servicer to terminate transmission and distribution service to the end use customer for non-payment by the end use customer pursuant to applicable Commission rules.~~

D. ~~Billings by Servicer to the REP or its replacement (when applicable):~~

1. ~~Servicer will bill and collect from REPs all Transition Charges applicable to consumption by retail customers served by the REP, including applicable customers served by New On-Site Generation.~~
2. ~~Payments of Transition Charges are due 35 calendar days following each billing by Servicer to the REP, without regard to whether or when the REP receives payment from the end use retail customers. Servicer shall accept payment by electronic funds transfer, wire transfer, and/or check. Payment will be considered received the date the electronic funds transfer or wire transfer is received by Servicer, or the date the check clears. A 5% penalty is to be charged on amounts received after 35 calendar days; however, a 10 calendar day grace period will be allowed before the REP is considered to be in default. A REP in default must comply with the provisions set forth in paragraph 3 of this Section D. The 5% penalty will be a one-time assessment measured against the current amount overdue from the REP to Servicer. The "current amount" consists of the total unpaid Transition Charges~~