EFFECTIVE: July 1, 2024

ENERGY EFFICIENCY COST RECOVERY RIDER PUBLIC ENTITIES

PURPOSE

The purpose of the Energy Efficiency Cost Recovery Rider for Public Entities ("EECR-PE") is to establish the EECR-PE Rate(s) used by CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Arkla (the "Company") to recover energy efficiency costs approved by the Louisiana Public Service Commission ("LPSC") in its General Order Docket R-31106, as revised and amended February 1, 2019 ("the General Order"). The energy efficiency costs include (1) the incremental direct Projected Public Entity Program Funds ("PEPF"); and (2) Lost Contribution to Fixed Cost ("LCFC") described and approved by the LPSC in Section VI of the LPSC's Energy Efficiency Rules attached to the General Order ("Rules"), and Section 3 of the LPSC Energy Efficiency Program Guidelines for Public Entities ("Guidelines") attached to the General Order. Recovery of the PEPF is limited to the incremental costs representing the direct program costs that are not already included in the then current rates of the Company, including those costs identified in Section VI (8) of the Rules and Section 3 of the Guidelines. The EECR-PE Rates will be calculated to recover the Company's Recoverable Costs over the period in which the EECR-PE Rates will be in effect.

INITIAL RATE DETERMINATION

The initial EECR-PE Rate(s) were filed with the LPSC prior to the first billing cycle of July 2024. The EECR-PE Rate(s) were determined by application of the EECR-PE Rate Formula set out in Attachments A and B to this Rider in Docket R-31106 and were accompanied by a set of workpapers sufficient to document the calculations of the EECR-PE Rate(s). In Program Year 1, the Projected Energy Efficiency Program Costs ("PEEC") will be recovered over a 6-month Program Cost Period from July 2024 through December 2024. All subsequent Program Year cost recovery will be made over a 12-month Program Cost Period. The EECR-PE Rates in the initial rate determination were effective with the first billing cycle of July 2024.

ANNUAL RE-DETERMINATION

By January 16 of each year beginning in 2025, re-determined EECR-PE Rate(s) shall be filed with the LPSC by the Company. The re-determined EECR-PE Rate(s) shall be determined by application of the EECR-PE Rate Formula set out in Attachments A and B to this Rider. The revised rate(s) shall be filed in Docket No. R-31106 and shall be accompanied by a set of workpapers sufficient to document the calculations of the revised EECR-PE Rate(s).

The re-determined rate(s) shall reflect (1) the projected PEPF for the 12-month period commencing on February 1 after the Filing Date; (2) the projected LCFC for the 12-month period commencing on February 1 after the Filing Date and the accumulation of such LCFC from previous year; and (3) rate rider true-up adjustments to collect any under-recovered amounts of the Recoverable Costs or to refund any amounts over-collected during the prior Program Year, as set forth in Section IX (6) of the Rules. "Program Year" is defined as the 12-month period ending on December 31 after the Filing Date.

The true-up adjustment will be calculated to include the effect of carrying costs using the then current Prime Rate.

The EECR-PE Rate(s) as re-determined shall be effective with the first billing cycle of February and shall then remain in effect for twelve (12) months ("EECR-PE Cycle"), except as otherwise provided below.

TRACKING AND MONITORING PROGRAM COSTS AND BENEFITS

The Public Entity EE Programs will be managed by the LPSC Executive Secretary (or her/his internal designee) and a representative designated by each Commissioner (from the Commissioner's staff) from each LPSC District (the "Project Team"). Applications for Public Entity EE Program projects shall be submitted, and sworn via verified affidavit, to the LPSC Executive Secretary (or her/his internal designee) for consideration and compliance with the Guidelines.

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ENERGY EFFICIENCY COST RECOVERY RIDER PUBLIC ENTITIES (cont'd)

The Company shall develop and implement appropriate accounting procedures, subject to the review of the Staff, which provide for separate tracking, accounting, and reporting of revenues collected through the EECR-PE Rider. The procedures shall enable the EECR-PE revenues to be readily identified and clearly separated from all other revenues. The Company shall secure and retain all documents necessary to verify the accuracy of the EECR-PE revenues. Such documents shall include, but shall not be limited to, billing determinants, journal entries, and summary revenue reports.

For the purpose of assessing the benefits and effectiveness of the programs, the Public Entity recipient shall comply with the Guidelines and develop and implement appropriate procedures, subject to the review of the Staff, which provide for separate tracking of the benefits and the effectiveness of the programs. The data that shall be tracked shall include, but shall not be limited to, information that will enable the Staff to assess the effectiveness of the programs. The Public Entity shall provide the LPSC Executive Secretary (or her/his internal designee) with an annual Evaluation Report of the Energy Efficiency project pursuant to the Guidelines.

TRACKING AND MONITORING LCFC

CenterPoint Energy Arkla shall monitor LCFC in accordance with the Rules and Guidelines and any future Orders addressing LCFC.

Public Entity program monitoring shall include as a minimum, a Total Resource Cost test that is greater than 1.0, and the "Participants Test" contained in the Commission's Guidelines in Sections 7 (e) and 11 (h) and Rules in Section III.

CenterPoint Energy Arkla will use this EECR-PE to recover contemporaneously the amount of LCFC from customers subject to annual true-up, as set forth in Section 3 of the Guidelines and Section VI of the Rules.

TERM

This EECR-PE shall remain in effect until modified or terminated in accordance with the provisions of this EECR-PE or applicable regulations or laws.

If this EECR-PE is terminated by a future order of the LPSC, the EECR-PE Rate(s) then in effect shall continue to be applied until the LPSC approves an alternate mechanism by which the Company can recover its Recoverable Costs. At that time, any cumulative over-recovery or under-recovery resulting from application of the just terminated EECR-PE Rate(s), inclusive of carrying costs at the then current Prime Rate, shall be applied to customer billings over the twelve (12) month billing period beginning on the first billing cycle of the second month following termination of the EECR-PE in a manner prescribed by the LPSC.

APPLICABLE RATE SCHEDULES

Residential Service (RS); Small Commercial - Firm Service (SCS-1); Commercial Poultry House (SCS-2); Large Commercial Firm Service (LCS-1); General Industrial Sales Service (GIS-1); Unmetered Gas Light (UGL); Large Commercial Transport Service (LCT-1); and General Industrial Transportation Service (GIT-

CAPPING OF EECR RATES

Notwithstanding the EECR Rate(s) listed herein, no Residential or Non-Residential customer shall be assessed more than \$75 monthly, as set forth in Section XV of the Rules as applied to the Guidelines.

TERMS AND CONDITIONS

Service furnished under this Schedule is subject to the Company's Standard Terms and Conditions for Gas Service and to all applicable Rider Schedules and adjustment clauses.

EFFECTIVE: July 1, 2024

ENERGY EFFICIENCY COST RECOVERY RIDER PUBLIC ENTITIES (cont'd)

ENERGY EFFICIENCY COST RECOVERY RIDER PUBLIC ENTITIES

ATTACHMENT A

Line		EECR-PE Rate
1	Projected Public Entity Program Funds (PEPF)	\$115,000
2	Projected Lost Contribution to Fixed Costs (LCFC)	\$\$\$*
3	Lost Contribution to Fixed Costs Accumulation True-Up (Y1-Y4)	N/A
4	Prior Period Over/Under Amount (TUA) plus carrying costs	<u>\$0.00</u>
5	Recoverable Costs (PCCC) (Line 1+2+3+4)	\$115,000
6	Total CCF	44,578,354
7	EECR-PE Rate/CCF	\$0.00258
8	EECR-PE Rate/MMBtu	\$0.02516

CenterPoint Energy Arkla's workpapers shall provide the rationale for the particular billing units selected and for the assignment of the Recoverable Costs to the customer classes.

Line 1) The Projected Public Entity Program Funds ("PEPF") represent recovery of the planned, projected incremental costs of the customer programs over a twelve-month Program Cost Period.

Line 3) An LCFC true-up associated with the accumulation of LCFC.

Line 4) Prior Period Over/Under ("TUA") includes the carrying costs based on the then current Prime Rate.

Line 5) Projected Costs by Customer Class ("PCCC") includes the total of (1) the projected EECR Projected Public Entities Program Fund ("PEPF"); (2) the projected LCFC; (3) the LCFC true-up; and (4) the prior period true-up adjustment ("TUA").

\$\$\$* referenced in line 2 are equal to \$0 and not applicable in Program Year 1.

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EFFECTIVE: July 1, 2024

ENERGY EFFICIENCY COST RECOVERY RIDER PUBLIC ENTITIES (cont'd)

ENERGY EFFICIENCY COST RECOVERY RIDER PUBLIC ENTITIES

ATTACHMENT B

This Rider is applicable to customers receiving gas service furnished under the Company's residential, SCS-1, SCS-2, LCS-1, GIS-1, LCT-1, and GIT-1 rate schedules. Customers shall be charged an amount equal to their monthly energy (CCF of MMBtu) usage multiplied by the rates below, limited to \$75 per bill, effective July 1, 2024 through January 31, 2025:

Rate Rider EECR-PE EECR-PE Rate Adjustment \$0.00258 per CCF \$0.02516 per MMBtu