EFFECTIVE: July 1, 2024

# QUICK START ENERGY EFFICIENCY COST RECOVERY RIDER RIDER EECR

#### **PURPOSE**

The purpose of the Energy Efficiency Cost Recovery (EECR) Rider is to establish the EECR Rate(s) used by CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Entex (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 Energy Efficiency Program Costs ("PEEC"); 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"), collectively the "Recoverable Costs". Recovery of the PEEC 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. The EECR Rates will be calculated to recover the Company's Recoverable Costs over the period in which the EECR Rates will be in effect.

### **INITIAL RATE DETERMINATION**

The initial EECR Rate(s) were filed with the LPSC prior to the first billing cycle of July 2024. The EECR Rate(s) were determined by application of the EECR Rate Formula set out in Attachments A, B, and C of the Rider in Docket R-31106 and were accompanied by a set of workpapers sufficient to document the calculations of the EECR 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 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 Rate(s) shall be filed with the LPSC by the Company. The re-determined EECR Rate(s) shall be determined by application of the EECR Rate Formula set out in Attachments A, B, and C 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 Rate(s).

The re-determined EECR Rate(s) shall reflect (1) the projected PEEC 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 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 Cycle"), except as otherwise provided below.

#### TRACKING AND MONITORING PROGRAM COSTS AND BENEFITS

CenterPoint Energy Entex shall utilize a Third-Party Administrator (TPA) to develop and implement appropriate accounting procedures, subject to the review of the Staff, which provide for separate tracking, accounting, and reporting of all program costs incurred by the Company. The procedures shall enable energy efficiency program costs to be readily identified and clearly separated from all other costs. The Company shall secure and retain all documents necessary to verify the validity of the program costs for which it is seeking recovery. Such documents shall include, but shall not be limited to, vouchers, journal entries, and the date the participant's project was completed.

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# ENERGY EFFICIENCY COST RECOVERY RIDER RIDER EECR (cont'd)

The Company shall utilize a TPA to 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 Rider. The procedures shall enable the EECR 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 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 Company shall utilize a TPA to 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 Commission to assess the effectiveness of the programs. The Company shall secure and retain all documents necessary to verify its assessments.

#### TRACKING AND MONITORING LCFC

**Division VP Regional Operations** 

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

This monitoring shall include the development of Evaluation, Measurement and Verification ("EM&V") protocols in accordance with the Rules.

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

#### **TERM**

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

If this EECR is terminated by a future order of the LPSC, the EECR 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 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 in a manner prescribed by the LPSC.

### **APPLICABLE RATE SCHEDULES**

Residential Service (R-53) excluding Unmetered Gas Light (UGL)
Small Commercial Service (SC-51-R2) excluding Unmetered Gas Light (UGL)

#### **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 Rules and Regulations for Gas Service and to all applicable Rider Schedules and adjustment clauses.

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# ENERGY EFFICIENCY COST RECOVERY RIDER RIDER EECR (cont'd)

#### **ENERGY EFFICIENCY COST RECOVERY RIDER**

#### **ATTACHMENT A**

Line		Residential	Commercial
1	Projected Energy Efficiency Program Costs (PEEC)	\$105,037	\$183,900
2	Projected Lost Contribution to Fixed Costs (LCFC)	\$\$\$*	\$\$\$*
3	Lost Contribution to Fixed Costs Accumulation True-Up (Y1-Y4)	N/A	N/A
4	Prior Period Over/Under Amount (TUA) plus carrying costs	\$0.00	\$0.00
5	Recoverable Costs (PCCC) (Line 1+2+3+4)	\$105,037	\$183,900
6	Total CCF	15,290,576	6,201,477
7	EECR Rate/CCF	\$0.00687	\$0.02965

CenterPoint Energy Entex'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 Energy Efficiency Program Costs ("PEEC") 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 for PY1 PY4 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 Energy Efficiency Program Costs ("PEEC"); (2) the projected LCFC; (3) the LCFC true-up for a 4-year period; 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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# ENERGY EFFICIENCY COST RECOVERY RIDER RIDER EECR (cont'd)

## **ENERGY EFFICIENCY COST RECOVERY RIDER**

### **ATTACHMENT B**

This Rider is applicable to customers receiving gas service furnished under the Company's residential and SC-51-R rate schedules, excluding unmetered gas lights. The applicable rates will be determined for two customer classes: (1) Residential and (2) Commercial. Customers in these two classes shall be charge an amount equal to their monthly energy (CCF) usage multiplied by the rates below effective June 1, 2024 through January 31, 2025.

Customer Class Residential Commercial **Rate Adjustment** \$0.00687 \$0.02965

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# ENERGY EFFICIENCY COST RECOVERY RIDER RIDER EECR (cont'd)

### **ATTACHMENT C**

### **EECR Rate Calculation**

1	2	
Customer Class	PCCC	
Residential	\$0.00687 per CCF	
Commercial	\$0.02965 per CCF	

Col 1) See Attachment B.

Col 2) Projected Energy Efficiency Costs by Customer Class (PCCC)