TARIFF FOR
WHOLESALE DELIVERY SERVICE

CenterPoint Energy Houston Electric, LLC
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CenterPoint Energy Houston Electric, LLC
Applicable: ERCOT Region

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CHAPTER 1 - DEFINITIONS

The following capitalized terms in this Tariff have the following respective meanings:

"Company" means CenterPoint Energy Houston Electric, LLC.

"Customer" means a Transmission Service Customer as defined in section 25.5 of the PUC's Substantive Rules.

"Distribution Energy Storage Resource" or "DESR" has the meaning given for this term in section 2 of the ERCOT Nodal Protocols and includes a wholesale storage facility interconnected to the Distribution System as described in section 25.501(m) of the PUC's Substantive Rules

"Distribution Service Provider" or "DSP" has the meaning given for this term in section 25.5 of the PUC's Substantive Rules.

"Distribution System" means the power distribution facilities operated below 60 kilovolts (kV).

"ERCOT" means the Electric Reliabilty Council of Texas.

"Power Generation Company" or "PGC" has the meaning given for this term in section 25.5 of the PUC's Substantive Rules.

"PUC" means the Public Utility Commission of Texas.

"System" means the Distribution System and Transmission System.

"Tariff" means this Tariff for Wholesale Delivery Service.

"Transmission System" has the meaning given for this term in section 25.5 of the PUC's Substantive Rules.

"Wholesale Delivery Service" means transmission service as defined in section 25.5 of the PUC's Substantive Rules.

"Wholesale Distribution Service" means Wholesale Delivery Service provided on the Company's Distribution System.

"Wholesale Transmission Service" means Wholesale Delivery Service provided on the Company's Transmission System.

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CHAPTER 2 - PRELIMINARY STATEMENT

Company is a transmissmion and distribution utility and transmission service provider in the ERCOT region of Texas. This Tariff establishes the rates, terms and condtions for the provision of Wholesale Delivery Service by Company to DSPs, PGCs, and exporting entities in the ERCOT region of Texas.

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CHAPTER 3 - GENERAL TERMS AND CONDITIONS

1. A PGC Customer must execute an interconnection agreement with Company to interconnect a generation resource or energy storage resource (as those terms are defined in the ERCOT Nodal Protocols) to the System. A PGC Customer shall not electrically connect a generation resource or energy storage resource to a separate retail customer load facility that is also electrically connected to, or receiving retail delivery services from, the System except as agreed to in writing by Company.

2. All other Customer interconnections to the System shall be made on a case by case basis in accordance with PUC Substantive Rules 25.191, 25.195, and 25.198 and applicable ERCOT Protocols.

3. Wholesale Delivery Service will be provided in accordance with this Tariff, the Public Utility Regulatory Act (“PURA”), the PUC Substantive Rules, and the ERCOT Protocols (collectively “Applicable Legal Authorities”). Any changes made by the Applicable Legal Authorities will automatically become effective.

4. The provisions of this Section shall apply only to the operation of Company and Customer within ERCOT. Company and Customer (collectively "Parties" or, each individually "Party") represent and warrant to each other that, except in compliance with the Orders of the Federal Energy Regulatory Commission (“FERC”) in FERC Docket No. EL 79-8 et seq. issued on October 28, 1981, and subsequent orders (collectively “the Orders”), they do not, either directly or through connections with other entities, transmit electric energy in interstate commerce or sell electric energy in interstate commerce or own or operate any such facilities. Each Party agrees that it will not, except in compliance with the Orders, engage, directly or through other entities, in any such interstate activities or operate, establish, maintain, modify, or utilize, directly or through other entities, any connection or facility used or to be used for the sale or transmission of electric energy in interstate commerce without one year's prior written notice to the other Party. The Party desiring to commence interstate operation agrees to file an application with, and use its best efforts to obtain an order from FERC, applicable to the other Party, under Sections 210, 211 and 212 of the Federal Power Act, requiring the establishment, maintenance, modification, or utilization of any such connection that may be involved; provided, however, that compliance with the Orders shall not require further notice to the parties or application to the FERC pursuant to this Section.

   It is understood and agreed that the failure of the Party electing to commence interstate operations to comply with any provision of this Section or the Orders shall entitle the other Party to disconnect its facilities.

   The Parties agree that it will be impossible to measure in terms of money the damages which may or will accrue by reason of any breach of the representation and warranty set forth above, or any failure in the performance of any of the obligations contained in this Section. For that

reason, among others, the Parties agree that, in case of any such breach or failure, the non-breaching Party will be irreparably damaged if this Section is not specifically enforced, and accordingly, the Parties agree that the non-breaching Party is entitled to specific performance of the provisions of this Section, in addition to any other remedies which may exist. If the non-breaching Party should institute proceedings to enforce these provisions, the breaching Party waives any claim or defense that inadequate remedy at law exists.

Nothing contained in this Section shall preclude the utilization of connections for the transmission of electric energy in interstate commerce under bona fide emergencies pursuant to the provisions of Section 202(d) of the Federal Power Act.

5. Company or ERCOT may suspend, curtail, or redispatch transmission service pursuant to PUC Substantive Rule 25.200.

6. Customers are subject to credit requirements as set forth in PUC Substantive Rule 25.202(c).

7. Indemnification and liability between Company and Customer shall be in accordance with PUC Substantive Rule 25.202(b).

8. There shall be added to any charges for Wholesale Delivery Service amounts equal to any applicable fees and sales and excise taxes levied at their current rates inclusive of any tax rate/fee changes and new taxes/fees**.**

9. In the event that a dispute arises between the Parties over the provision of transmission service or the pricing or other terms or conditions of such services, the Parties shall engage in alternative dispute resolution pursuant to PUC Substantive Rule 25.203.

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CHAPTER 4 – RATE SCHEDULES

SECTION 4.1. WHOLESALE TRANSMISSION SERVICE - WTS

AVAILABILITY

Wholesale transmission service is provided to any Transmission Service Customer ("Customer") as that term is defined in the Public Utility Commission of Texas ("PUC") Substantive Rule 25.5 at all points where transmission facilities of adequate capacity and suitable voltage are made available to implement wholesale transmission service. Service shall be in accordance with applicable PUC Substantive Rules, Chapter 25, Subchapter I, Division 1. This rate schedule shall not apply to service that is subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC"), unless so ordered by FERC pursuant to lawful authority under the Federal Power Act. Any power delivered onto or received from the Company's transmission grid under this rate schedule must be delivered onto or received from transmission lines that operate nominally at 60,000 volts or higher, three phase, 60 hertz alternating current, that have been made available for this service.

This rate schedule applies only to wholesale transmission service within the Electric Reliability Council of Texas ("ERCOT") Region, including service scheduled across the DC ties, and does not govern transactions outside the jurisdiction of the PUC.

PRICING

In accordance with PUC Substantive Rule 25.192, each Distribution Service Provider ("DSP") and exporting entity, including Qualified Scheduling Entities ("QSE"), within ERCOT shall be assessed a transmission service charge for transmission service based upon either the DSP's coincident peak load as defined in PUC Substantive Rule 25.192(d) or the ERCOT export entity reported load scheduled across the DC ties.

A. For Service to Load Within ERCOT:

The monthly transmission service charge shall be calculated by multiplying (a) the monthly transmission service rate by (b) the DSP's previous year's average 4CP kW demand that is coincident with the ERCOT 4CP demand.

Transmission Service Monthly Rate: $0.803539 per kW per Month

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B. For Service to Export Electric Power From ERCOT

The monthly transmission service charge shall be calculated by multiplying (a) the monthly ERCOT export entity reported load across the DC ties by (b) the hourly rate.

Hourly Rate per kW	$0.001101

PAYMENT

All charges due to the Company under this rate schedule shall be billed in accordance with PUC Substantive Rule 25.202. The DSP or export entity shall make payment to Company in a manner consistent with the procedures and deadlines set forth in PUC Substantive Rule 25.202. Any late payments by DSP or export entity, or default by DSP or export entity shall be handled in accordance with PUC Substantive Rule 25.202.

NOTICE

Wholesale transmission service furnished under this rate schedule is subject to Company's Terms and Conditions for Wholesale Transmission Service, Sheet No. 3.1, the terms of PUC Substantive Rules, Chapter 25, Subchapter I, Division 1, and applicable ERCOT Protocols, as amended from time to time.

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SECTION 4.2. WHOLESALE DISTRIBUTION SERVICE - WDS

AVAILABILITY

Wholesale Distribution Service is available to any PGC with a DESR interconnected to the Company's Distribution System at one point of interconnection and measured through one separate meter. The type of service is three phase, 60 hertz alternating current, and at Company's standard distribution voltages (below 60 kilovolts (kV).

APPLICABILITY

This rate schedule applies only to a PGC with a DESR interconnected to the Company's Distribution System and when the meter for the DESR registers energy deliveries from the Distribution System. A DESR receiving service under this rate schedule is not subject to WTS Rate Schedule.

PRICING

Customer Charge	$69.05	per Point of Interconnection per Month
Metering Charge	$81.03	per Point of Interconnection per Month
Distribution System Charge	$2.709502	per Billing kVA

The monthly bill for Wholesale Distribution Service is the sum of the Customer Charge, Metering Charge, the product of the Distribution System Charge multiplied by the Customer's Billing kVA, plus any applicable riders.

Determination of Billing kVA. For wholesale storage 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 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).

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

PAYMENT

Company must receive payment by the 35th calendar day after the date of issuance of the bill, unless the Company and the Customer agree on another mutually acceptable deadline,

in accordance with applicable PUC Substantive Rules. Interest shall accrue on any unpaid amount in accordance with applicable PUC Substantive Rules.

AGREEMENT

An executed interconnection agreement is required as a prerequisit to receiving service under this WDS Rate Schedule. A Wholesale Distribution Service Customer shall be responsible for all costs of interconnecting with the Company's Distribution System as detailed in the interconnection agreement, including any contributions in aid of construction required by the Company in the event that any new facilities or upgrades, extensions, or modifications to existing facilities are required to provide the requested service. A contribution in aid of construction will be based on the estimated cost of such facilities, upgrades, extensions, or modifications. All facilities constructed or modified by the Company shall remain the property of the Company.

NOTICE

Wholesale Distribution Service furnished under this rate schedule is subject to all Applicable Legal Authorities.

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SECTION 4.3. RIDER WDCRF - WHOLESALE DISTRIBUTION COST RECOVERY FACTOR

APPLICABILITY
Each Customer receiving Wholesale Distribution Service under the WDS Rate Schedule will be assessed a nonbypassable Distribution System Charge adjustment pursuant to this rider. The charges derived herein, pursuant to Substantive Rule §25.243, are necessitated by incremental distribution costs not included in the Company's last general rate case proceeding before the PUC.

MONTHLY RATE
The Customer will be assessed this Distribution Service Charge adjustment based on the monthly per unit cost (WDCRF) multiplied times the Customer's appropriate monthly billing determinant.

The WDCRF shall be calculated according to the following formula:

WDCRF =

$$[((DIC_C - DIC_{RC}) * ROR_{AT}) + (DEPR_C - DEPR_{RC}) + (FIT_C - FIT_{RC}) + (OT_C - OT_{RC}) - \sum(DISTREV_{RC\text{-}CLASS} * \%GROWTH_{CLASS})] * ALLOC_{CLASS} / BD_{C\text{-}CLASS}$$

Where:

DIC_C = Current Net Distribution Invested Capital.

DIC_{RC} = Net Distribution Invested Capital from the last comprehensive base-rate proceeding.

ROR_{AT} = After-Tax Rate of Return as defined in Substantive Rule §25.243(d)(2).

$DEPR_C$ = Current Depreciation Expense, as related to Current Gross Distribution Invested Capital, calculated using the currently approved depreciation rates.

$DEPR_{RC}$ = Depreciation Expense, as related to Gross Distribution Invested Capital, from the last comprehensive base-rate proceeding.

FIT_C = Current Federal Income Tax, as related to Current Net Distribution Invested Capital, including the change in federal income taxes related to the change in return on rate base and synchronization of interest associated with the change in rate base resulting from additions to and retirements of distribution plant as used to compute Net Distribution Invested Capital.

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FIT_{RC} = Federal Income Tax, as related to Net Distribution Invested Capital from the last comprehensive base-rate proceeding.

OT_{C} = Current Other Taxes (taxes other than income taxes and taxes associated with the return on rate base), as related to Current Net Distribution Invested Capital, calculated using current tax rates and the methodology from the last comprehensive base-rate proceeding, and not including municipal franchise fees.

OT_{RC} = Other Taxes, as related to Net Distribution Invested Capital from the last comprehensive base-rate proceeding, and not including municipal franchise fees.

$DISTREV_{RC\text{-}CLASS}$ (Distribution Revenues by rate class based on Net Distribution Invested Capital from the last comprehensive base-rate proceeding) = $(DICR_{C\text{-}CLASS} * ROR_{AT}) + DEPR_{RC\text{-}CLASS} + FIT_{RC\text{-}CLASS} + OT_{RC\text{-}CLASS}$.

$\%GROWTH_{CLASS}$ (Growth in Billing Determinants by Class) = $(BD_{C\text{-}CLASS} - BDRC_{\text{-}CLASS}) / BD_{RCCLASS}$

$DIC_{RC\text{-}CLASS}$ = Net Distribution Invested Capital allocated to the rate class from the last comprehensive base-rate proceeding.

$DEPR_{RC\text{-}CLASS}$ = Depreciation Expense, as related to Gross Distribution Invested Capital, allocated to the rate class in the last comprehensive base-rate proceeding.

$FIT_{RC\text{-}CLASS}$ = Federal Income Tax, as related to Net Distribution Invested Capital, allocated to the rate class in the last comprehensive base-rate proceeding.

$OT_{RC\text{-}CLASS}$ = Other Taxes, as related to Net Distribution Invested Capital, allocated to the rate class in the last comprehensive base-rate proceeding, and not including municipal franchise fees.

$ALLOC_{CLASS}$ = Rate Class Allocation Factor approved in the last comprehensive base-rate proceeding, calculated as: total net distribution plant allocated to rate class, divided by total net distribution plant. For situations in which data from the last comprehensive base-rate proceeding are not available to perform the described calculation, the Rate Class Allocation Factor shall be calculated as the total distribution revenue requirement allocated to the rate class (less any identifiable amounts explicitly unrelated to Distribution Invested Capital) divided by the total distribution revenue requirement (less any identifiable amounts explicitly unrelated to Distribution Invested Capital) for all classes as approved by the PUC in the electric utility's last comprehensive base-rate case.

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The Allocation Factor for each listed rate schedule is as follows:

Residential Service	57.7950%
Secondary Service Less Than or Equal to 10 kVA	1.4407%
Secondary Service Greater Than 10 kVA	31.7602%
Primary Service and WDS	2.3438%
Transmission Service	0.1942%
Street Lighting Service	6.4661%

$BD_{C\text{-}CLASS}$ = Rate Class Billing Determinants (weather-normalized and adjusted to reflect the number of customers at the end of the period) for the 12 months ending on the date used for purposes of determining the Current Net Distribution Invested Capital. For customer classes billed primarily on the basis of kilowatt-hour billing determinants, the DCRF shall be calculated using kilowatt-hour billing determinants. For customer classes billed primarily on the basis of demand billing determinants, the DCRF shall be calculated using demand billing determinants.

$BD_{RC\text{-}CLASS}$ = Rate Class Billing Determinants used to set rates in the last comprehensive base-rate proceeding.

WDCRF EFFECTIVE FOR SCHEDULED METER READ DATES ON AND AFTER JUNE 1, 2026. The rates are effective until such time as a final tariff becomes effective pursuant to a subsequent order in Docket No. 59424.

Rate Class	WDCRF Charge	Billing Units
Wholesale Distribution Service	$0.371995	per Billing kVA

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).

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SECTION 4.4. RIDER WDIRA – WHOLESALE DISTRIBUTION INFLATION REDUCTION ACT 2022

APPLICABILITY

This rider is applicable each customer receiving Wholesale Distribution Service under the WDS Rate Schedule. This rider is the result of the Inflation Reduction Act of 2022 ("IRA") to recover changes in the Company's tax obligation.

MONTHLY RATE

The Customer's IRA amount for the billing month shall be determined by multiplying the appropriate factor shown below by the Customer's applicable billing determinant for the current month.

Rate Class	IRA Charge	Billing Units
Wholesale Distribution Service	$0.00	per Billing kVA

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).

NOTICE

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

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SECTION 4.5. RIDER WTIRA – WHOLESALE TRANSMISSION INFLATION REDUCTION ACT 2022

APPLICABILITY

This rider is applicable to all Distribution Service Providers ("DSPs") receiving Wholesale Transmission Service under the WTS Rate Schedule. This rider is the result of the Inflation Reduction Act of 2022 ("IRA") to recover changes in the Company's tax obligation.

PRICING

For Service to Load Within ERCOT:
The monthly transmission service charge shall be calculated by multiplying (a) the monthly transmission service rate by (b) the DSP's previous year's average 4CP kW demand that is coincident with the ERCOT 4CP demand.

Transmission Service Monthly Rate: $0.000000 per kW per Month

PAYMENT

All charges due to the Company under this rate schedule shall be billed in accordance with PUC Substantive Rule 25.202. The DSP shall make payment to Company in a manner consistent with the procedures and deadlines set forth in PUC Substantive Rule 25.202. Any late payments by DSP or default by DSP shall be handled in accordance with PUC Substantive Rule 25.202.

NOTICE

Wholesale transmission service furnished under this rate schedule is subject to Company's Terms and Conditions for Wholesale Transmission Service, Sheet No. 3.1, the terms of PUC Substantive Rules, Chapter 25, Subchapter I, Division 1, and applicable ERCOT Protocols, as amended from time to time.

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SECTION 4.6. RIDER WDC – WHOLESALE DISTRIBUTION CREDIT

APPLICABILITY

This rider is applicable each customer receiving Wholesale Distribution Service under the WDS Rate Schedule. The rider is to credit an amount agreed upon in the Company's Stipulation and Settlement Agreement from Docket No. 56211.

MONTHLY RATE

The Customer's credit amount for the billing month shall be determined by multiplying the appropriate factor shown below by the Customer's applicable billing determinant for the current month. WDC shall remain in effect until the aggregate amount of $406,031.96 has been refunded. After the aggregate amount of $406,031.96 has been refunded Rate Reduction Credit shall terminate.

Rate Class	Refund Charge	Billing Units
Wholesale Distribution Service	$0.000000	per Billing kVA

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).

NOTICE

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

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SECTION 4.7. RIDER WTC – WHOLESALE TRANSMISSION CREDIT

APPLICABILITY

This rider is applicable to all Distribution Service Providers ("DSPs") receiving Wholesale Transmission Service under the WTS Rate Schedule. The rider is to credit an amount agreed upon in the Company's Stipulation and Settlement Agreement from Docket No. 56211.

PRICING

For Service to Load Within ERCOT:
The monthly transmission service charge shall be calculated by multiplying (a) the monthly transmission service rate by (b) the DSPs average 4CP kW demand that is coincident with the 2023 ERCOT 4CP demand, as approved in Docket No. 56050.

Transmission Service Monthly Rate: ($0.017389) per kW

MONTHLY BILL AMOUNT

Rider WTC amount to be credited is determined by multiplying the DSPs 4CP demand coincident with the 2023 ERCOT 4CP demand used in the calculation of the WTC by the WTC monthly rate. Rider WTC will be a one-time credit rendered the month following the effective date of new rates approved by a Final Order of the Commission.

NOTICE

Wholesale transmission service furnished under this rate schedule is subject to Company's Terms and Conditions for Wholesale Transmission Service, Sheet No. 3.1, the terms of PUC Substantive Rules, Chapter 25, Subchapter I, Division 1, and applicable ERCOT Protocols, as amended from time to time.