CENTERPOINT ENERGY RESOURCES CORP.
D/B/A CENTERPOINT ENERGY ENTEX
AND CENTERPOINT ENERGY TEXAS GAS
HOUSTON, TEXAS COAST, SOUTH TEXAS AND BEAUMONT/EAST TEXAS GEOGRAPHIC RATE AREAS - UNINCORPORATED
RIDER TAX ACT 2022-U
EFFECTIVE, JANUARY 1, 2026

PURPOSE

The purpose of this rider is to capture the effect Public Law 117-169, 136 STAT. 1818 of August 16, 2022 ("Tax Act 2022") and certain other tax-related costs that will change from the amounts included in the standard service base revenue requirement in Docket No. OS-23-00015513. These effects include the return on the Corporate Alternative Minimum Tax ("CAMT") deferred tax asset ("DTA") resulting from the Tax Act 2022, income tax credits resulting from the Tax Act 2022, and the return on the increment or decrement in the net operating loss ("NOL") DTA included in rate base and in the standard service base revenue requirement in Docket No. OS-23-00015513.

APPLICATION

This rider applies to all residential, general service-small and general service-large volume customers in the unincorporated area or city that has ceded jurisdiction to the Commission in the Houston, Texas Coast, South Texas and Beaumont/East Texas Geographic Rate Areas impacted by the Company's Statement of Intent to Change Rates filed on October 30, 2023, Docket No. OS-23-00015513. The cities that ceded jurisdiction to the Commission in the Houston, Texas Coast, South Texas and Beaumont/East Texas Geographic Rate Areas are listed on the final pages of this tariff.

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

The adjustment calculated in this tariff shall appear as a line item on the bill entitled, "Tax Act 2022".

CALCULATION

The rider shall be calculated as the product of the Company's grossed-up rate of return authorized in the Company's most recent standard service base rate case proceeding times the CAMT deferred tax asset ("CAMT DTA") estimated at December 31 of the calendar year prior to the annual change in the rates pursuant to this tariff, plus the Company's grossed-up rate of return authorized in the Company's most recent standard service base rate case proceeding times 75% of the increment or decrement in the NOL DTA estimated at December 31 of the calendar year prior to the annual change in the rates pursuant to this tariff compared to the NOL DTA included in rate base in the determination of the most recent standard service base revenue requirement, less the income tax credits received in accordance with IRS requirements applicable to the Tax Act 2022 grossed-up for income taxes to a revenue equivalent.

The estimated CAMT DTA and NOL DTA and the related effects on the rider revenue requirements shall be trued up to the actual effects in the following year and the over/under recovery amortized over the twelve months that each year's recalculated tariff rates are in effect. The over/under recovery shall include a grossed-up rate of return as authorized in the Company's most recent standard service base rate case proceeding.

The methodology for computing the Company's CAMT is as follows:

1. Confirm CenterPoint Energy, Inc's ("CNP") consolidated (i.e., all members of a single employer) CAMT tax is in excess of regular tax. If CNP's CAMT DTA is $0 there will be no CAMT DTA in the tariff.

2. Calculate CenterPoint Energy Resources Corp.'s ("CERC") contribution to Adjusted Financial Statement Income ("AFSI") on a stand-alone basis. CERC's AFSI is calculated by adjusting CERC's applicable financial statement income by adjustments to depreciation, pension costs and federal income tax to arrive at AFSI. AFSI is intended to be computed consistent with applicable IRS requirements.

3. Compare CERC's CAMT stand-alone amount with CERC's regular stand-alone tax liability. If the stand alone CAMT is in excess of the stand-alone regular tax, the CAMT DTA is recorded to CERC.

4. Allocate a portion of CERC's CAMT to the Company based on relative pretax book income ("PTBI").

The methodology for computing the NOL DTA is detailed as follows:

	CenterPoint Energy		
	Houston, Texas Coast, South Texas and Beaumont/East Texas Geographic Rate Areas		
	NOL Deferred Tax Asset		
	Division Amounts		
Line No.			
1	NOL DTA per OS-23-00015513		$49,890,053
2	Estimated December 2024 NOL DTA		-
3	Estimated Increment/(Decrement) NOL DTA		$ -
4	Estimated December 2023 NOL DTA (1)		$ -
5	Actual December 2023 NOL DTA (1)		-
6	Prior Year True-Up		$ -
7	Increment/(Decrement) NOL DTA	(Ln 3 + Ln 6)	$ -
8	75% Adjustment		75.0000000%
9	Standard Sales Service Allocation Factor Approved in Docket No. OS-23-00015513		96.7208565%
	Standard Service Amounts		
10	Estimated Increment/(Decrement) NOL DTA	(Ln 3 * Ln 8 * Ln 9)	$ -
11	Prior Year Increment/(Decrement) NOL DTA	(Ln 6 * Ln 8 * Ln 9)	$ -
12	Increment/Decrement NOL DTA	(Ln 10 + Ln 11)	$ -

PROCESSING EXPENSES IN 2025

The Company shall include the reasonable and necessary processing expenses related to preparing and processing the first Rider Tax Act Compliance Filing made on August 1, 2024, as amended by the Final Order in OS-24-00018066, in its 2025 Rider Tax Act Compliance Filing.

If the Internal Revenue Service issues new guidance related to the Tax Act 2022, the Company reserves the right to make additional filings to recognize such adjustments.

FILING PROCEDURES

On or before August 1 of each year, starting in 2024, during the term of Rider Tax Act 2022, the Company shall file with the Railroad Commission (RRC) and Cities the Tax Act 2022 calculation as shown in Appendix 1 along with supporting schedules and workpapers. Unless disputed by the RRC Staff or Cities, rates per Appendix 1 will become effective for bills calculated on or after January 1 of the year following, starting in 2025. If the RRC Staff or Cities dispute the calculations, or any component thereof, the RRC Staff or Cities shall notify the Company on or before October 1.

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CenterPoint Energy
Houston, Texas Coast, South Texas and Beaumont/East Texas Geographic Rate Areas
Tax Act 2022 Rider Calculation
For Rates Effective January 1, 2026

Line No.		Standard Service Amounts 2025
1	Estimated CAMT DTA	$ 38,027,397
2	Pre-Tax Rate of Return	9.4722%
3	Impact of Change to Rate Base on Revenue Requirement (Ln 1 * Ln 2)	$ 3,602,031
4	Estimated Increment/Decrement NOL DTA adjusted for 75%	$ 192,231,014
5	Pre-Tax Rate of Return	9.4722%
6	Impact of Change to Rate Base on Revenue Requirement (Ln 4 * Ln 5)	$ 18,208,503
7	Clean Hydrogen Production Tax Credit with gross-up for taxes	$ -
8	Renewable Natural Gas Investment Tax Credit with gross-up for taxes	-
9	Electric Vehicles Tax Credit with gross-up for taxes	(117,968)
10	Total Tax Credits (Ln 7 + Ln 8 + Ln 9)	$ (117,968)
11	Processing Expenses of 2025 to be included only in the August 1, 2025 Compliance Filing	$ 352,658.50
12	Total Impact to Revenue (Credit)/Charge Customer (Ln 3 + Ln 6 + Ln 10 + Ln 11)	$ 22,045,225
13	Base Rate Revenue Allocation Factors per Docket No. OS-23-00015513	
14	Residential	88.5238%
15	General Service - Small	9.0735%
16	General Service - Large Volume	2.4027%
17	Total (Ln 14 + Ln 15 + Ln 16)	100.0000%
18	Impact to Revenues Allocated to Customer Classes	
19	Residential (Ln 12 * Ln 14)	$ 19,515,271
20	General Service - Small (Ln 12 * Ln 15)	2,000,273
21	General Service - Large Volume (Ln 12 * Ln 16)	529,681
22	Total (Ln 19 + Ln 20 + Ln 21)	$ 22,045,225
23	True-up for Previous Tax Act 2022 due to Billing Determinants	
24	Residential	$ -
25	General Service - Small	-
26	General Service - Large Volume	-
27	Total (Ln 24 + Ln 25 + Ln 26)	$ -
28	Total Impact to Revenues by Customer Class	
29	Residential (Line 19 + Line 24)	$ 19,515,271
30	General Service - Small (Line 20 + Line 25)	2,000,273
31	General Service - Large Volume (Line 21 + Line 26)	529,681
32	Total (Ln 29 + Ln 30 + Ln 31)	$ 22,045,225
33	Number of Bills	
34	Residential	21,936,670
35	General Service - Small	1,266,690
36	General Service - Large Volume	27,085
37	Total (Ln 34 + Ln 35 + Ln 36)	23,230,445
38	**Tax Act 2022 (Credit)/Charge to Customers**	
39	**Residential (Ln 29 / Ln 34)**	**$ 0.89**
40	**General Service - Small (Ln 30 / Ln 35)**	**$ 1.58**
41	**General Service - Large Volume (Ln 31 / Ln 36)**	**$ 19.56**

Appendix 1

CENTERPOINT ENERGY RESOURCES CORP.
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Cities that Ceded Original Jurisdiction to the Commission			
Ames	Galena Park	Mineola	Schertz
Arcola	Gilmer	Montgomery	Scottsville
Avinger	Goliad	Mount Vernon	Seguin
Beeville	Grapeland	Nacogdoches	Selma
Bellaire	Groveton	Naples	Shepherd
Bevil Oaks	Hallettsville	New Boston	Sinton
Big Sandy	Hallsville	New Braunfels	Smithville
Bullard	Hawkins	New Waverly	South Houston
Carthage	Henderson	Noonday	Southside Place
Center	Hideaway	Nordheim	Talco
China	Hillcrest Village	North Cleveland	Tenaha
Clear Lake Shores	Hitchcock	Omaha	Timpson
Cleveland	Hooks	Palacios	Trinity
Colmesneil	Hudson	Panorama Village	Troup
Converse	Hughes Springs	Pine Forest	Uhland
Corrigan	Jacinto City	Pinehurst	Uncertain
Crockett	Jasper	Pleak	Van
Cut and Shoot	Jefferson	Pleasanton	Vidor
Daingerfield	Jones Creek	Poteet	Warren City
Danbury	Kenedy	Poth	Weimar
Dayton	Kirbyville	Queen City	West Orange
Diboll	Latexo	Richwood	West University Place
Douglassville	Leary	Roman Forest	Weston Lakes
Eagle Lake	Liverpool	Rose City	Whitehouse
East Mountain	Livingston	San Augustine	Willis
El Campo	Lovelady	San Diego	Willis Point
El Lago	Lufkin	San Marcos	
Elkhart	Lumberton	Sandy Oaks	
Floresville	Maud	Santa Clara	