

# City Council Meeting

## Agenda Item

### Data Sheet

Meeting Date: April 4, 2022

#### Topic:

Approve the CenterPoint Energy 2022 Annual GRIP Adjustment for the Houston Division, for the Proposed Interim Rate Adjustment (IRA) for CenterPoint's Houston Division and Authorize the City Manager to Notify CenterPoint Energy of the Council's Action

#### Background:

Provided for Council review, is a copy of CenterPoint Energy's 2022 Annual GRIP Adjustment for the Houston Division, notifying the City of Tomball, which is located in the Houston Division, of the proposed interim rate adjustment for CenterPoint customers in Tomball. The proposed rates are:

Rate Schedule	Current Customer Charge	Proposed 2022 Interim Rate Adjustment <sup>1</sup>	Adjusted Charge	Increase Per Bill
R-2095-I-GRIP 2022; R-2095-U-GRIP 2022 Residential	\$18.38 per customer per month	\$1.36 per customer per month	\$19.74 per customer per month	\$1.36 per customer per month
GSS-2095-I-GRIP 2022; GSS-2095-U-GRIP 2022 General Service Small	\$22.41 per customer per month	\$2.09 per customer per month	\$24.50 per customer per month	\$2.09 per customer per month
GSLV-626-I-GRIP 2022; GSLV-626-U-GRIP 2022 General Service Large Volume	\$247.28 per customer per month	\$42.83 per customer per month	\$290.11 per customer per month	\$42.83 per customer per month

CenterPoint Energy requests a vote by Council for approval, 'no action', or 'suspension' of the Houston Division GRIP Filing Gas, followed by notification of the Council's action, no later than May 2, 2022.

In truth, a vote of 'Approval' or 'No Action' has no effect and the rates will become effective on May 2. A vote of 'Suspension' delays the rates becoming effective for 45 days; however, rates will still become effective in mid-June.

**Origination:** David Esquivel, City Manager

**Recommendation:** N/A

**Party(ies) responsible for placing this item on agenda:** David Esquivel, City Manager

<sup>1</sup> On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (the "TCJA") was signed into law. The TCJA reduced the federal corporate income tax rate from 35% to 21%. The Company has calculated the GRIP Adjustment using the 35% federal corporate income tax rate approved in GUD No. 10567. The Company has also calculated and is seeking approval of the GRIP Adjustment using the 21% federal corporate income tax rate under the Tax Cuts and Jobs Act of 2017. The Proposed 2022 Interim Rate Adjustment in the table above has been calculated using the reduced corporate income tax rate of 21%.