

5. On April 4, 2011, Commission Staff suspended implementation of Entex's proposed IRA until July 14, 2011, which is 45 days following the 60th day after the application.
6. Neither TEXAS UTILITIES CODE, §104.301 (Vernon 2009) nor 16 TEX. ADMIN. CODE, §7.7101 (2010) provide the opportunity for parties to intervene in the Commission's review of an application for an annual IRA.
7. 16 TEX. ADMIN. CODE, §7.7101 (2009) allows written comments or a protest concerning the proposed IRA to be filed with the Gas Services Division.
8. No letters of protest or comments were received by the Commission.
9. This docket represents the first annual IRA for Entex's Houston Division.
10. Until promulgation of TEXAS UTILITIES CODE, §104.301 (Vernon 2009), a utility could not increase its rates subject to the Commission's jurisdiction without filing with the Commission a formal statement of intent rate case, including a comprehensive cost of service rate review.
11. The proposed IRA will allow Entex an opportunity to recover, subject to refund, a return on investment, depreciation expense, and related taxes on the incremental cost of infrastructure investment since its last rate case, without the necessity of filing a statement of intent rate case and without review by the Commission of Entex's comprehensive cost of service.

Applicability

12. This docket applies to only those rates over which the Commission has original jurisdiction, which includes the environs of the Houston division and the Cities of Cut and Shoot, Galena Park, Jacinto City, New Waverly, Panorama Village, Roman Forest, South Houston, Southside Place, West University, and Willis which have ceded Jurisdiction to the Commission Pursuant to GURA § 103.003.
13. As of year-end 2010, Entex's customers totaled approximately 902,662 Residential customers, 42,024 General Service – Small customers and 3,180 General Service – Large Volume customers.

Most Recent Comprehensive Rate Case

14. Entex's most recent rate case for the area in which the IRA will be implemented is GUD No. 9902, *Statement of Intent Filed by CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas to Increase rates on a Division-Wide Basis in the Houston Division.*
15. GUD No. 9902 was filed on July 31, 2009.
16. The data used in GUD No. 9902 was based on a test-year ending March 31, 2009.
17. The Commission signed the GUD No. 9902 Final Order on February 23, 2010, and the rates became effective the same day.
18. The following chart shows the factors that were established in GUD No. 9902 to calculate the return on investment, depreciation expense, and incremental federal income taxes for Entex's Houston Division:

Rate of Return	8.6505%
Depreciation Rate	3.55%
Federal Income Tax Rate	35%

Interim Rate Adjustment

19. Entex seeks approval from the Commission for an adjustment to its revenue, based on incremental net utility plant investment, with regard to the following components: return on investment; depreciation expense; ad valorem taxes; revenue related taxes; and federal income taxes, Exhibit B.
20. The revenue amounts to be recovered through the proposed annual IRA for Entex are incremental to the revenue requirement established in the most recent rate case for Entex for the area in which the IRA is to be implemented, GUD No. 9902.
21. The Company calculated and presented all incremental values for investment, accumulated depreciation, return on investment, depreciation expense, ad valorem taxes, and incremental federal income taxes from the last rate case to December 31, 2010.
22. For the first IRA following a rate case, the amounts by which Entex may adjust its rates are based on the difference between Entex's invested capital at the end of the most recent rate case test-year (March 31, 2009) and the invested capital at the end of the calendar-year following the end of the most recent rate case test-year (December 31, 2010).
23. This docket is the first annual IRA for Entex. Therefore, to request its IRA in this docket, Entex submitted data for the calendar year ending December 31, 2010.

24. The value of Entex's invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment for Entex's IRA.
25. Entex is required to use the same factors to calculate the interim return on investment, depreciation expense, and incremental federal income tax as those established or used in the final order setting rates for Entex in the most recent rate case for the area in which the IRA is to be implemented.
26. Entex filed the Commission's Annual Earnings Monitoring Report (EMR) as required by 16 TEXAS ADMINISTRATIVE CODE §7.7101 (2010). The Company's actual rate of return is 8.44%, which is less than 0.75% in excess of the 8.6505% allowed rate of return established in **GUD No. 9902**.
27. Entex filed its Annual Project Report as required by 16 TEXAS ADMINISTRATIVE CODE §7.7101 (2010).
 - Net capital additions included in this docket total \$ 38,488,633.
 - Gross capital project additions totaled \$ 72,358,373.
 - Safety-related improvements/infrastructure projects totaled \$ 2,689,093, or 7.57% of total additions¹.
 - Integrity testing projects totaled \$ 0.00, or 0.0% of total additions².
28. The Company is required to allocate the revenue to be collected through the IRA for Entex among its customer classes in the same manner as the cost of service was allocated among its customer classes in its most recent rate case for the area in which the IRA is to be implemented.
29. Entex proposed the IRA as a flat rate to be applied to the monthly customer charges rather than as a volumetric rate to be applied to the initial block usage rates.
30. Entex is required to show its annual IRA on its customers' monthly billing statements as a surcharge.
31. The proposed IRA does not require an evidentiary proceeding; rather, TEXAS UTILITIES CODE, §104.301 (Vernon 2009) and 16 TEX. ADMIN. CODE, §7.7101 (2010) require the regulatory authority to review a utility's method of calculating the IRA.
32. Due process protections are deferred until Entex files its next full statement of intent rate case.

1. Response to Staff's RFI No. 1-5.

2. Response to Staff's RFI No. 1-6.

Notice

33. The Company provided adequate notice to Entex's customers on April 6, 2011 through May 4, 2011.

Comprehensive Rate Case Required

34. The Company is not required to initiate a rate case supporting a statement of intent, at the time it applies for an IRA for Entex.
35. Under 16 TEX. ADMIN. CODE, §7.7101 (I) (2010) a gas utility that implements an IRA and does not file a rate case before the fifth anniversary of the date its initial IRA became effective is required to file a rate case not later than the 180th day after that anniversary. Entex is required to file a statement of intent rate case not later than January 7, 2017.

Review of Interim Rate Adjustment

36. Entex presented its IRA calculation using the factors for GUD No. 9902 for rate of return, depreciation, and federal income tax, but used an estimate for 2010 property taxes.¹
37. The recommended IRA is \$ 2,484,485 based on an incremental net utility plant investment increase of \$ 8,724,931.
38. Entex's proposed allocation methodology complies with TEXAS UTILITIES CODE, §104.301 (Vernon 2009), and with 16 TEX. ADMIN. CODE, §7.7101 (2010).
39. For allocation methodology, it is reasonable for the Commission to approve use of Entex's overall cost of service (less other revenue, gas cost, and revenue related taxes) as determined in GUD No. 9902. The following overall cost of service allocation factors for use in the calculation of Entex's IRA are reasonable:

Customer Class	Allocation Factors
Residential	0.855216
General Service - Small	0.059225
General Service – Large Volume	0.085559

40. The rates requested by Entex in this proceeding are applicable to Entex's Houston Division customers.

1. 16 TEX. ADMIN. CODE §7.7101(f)(5) only refers to the return on investment, depreciation expense, and incremental federal income tax factors from the most recent rate case to calculate the IRA. The Ad Valorem taxes are not specifically designated as a factor that must remain constant.

41. Entex's proposed customer counts comply with TEXAS UTILITIES CODE, §104.301 (Vernon 2009), and with 16 TEX. ADMIN. CODE, §7.7101 (2010).
42. For calculating the number of customer charges or meter charges per year, it is reasonable for the Commission to approve use of Entex's 2010 year-end number of customers multiplied by twelve. The following total numbers of customer and meter charges for use in the calculation of the IRA are reasonable:

Customer Class	Total Number of Customer Charges / Meters
Residential	902,662
General Service - Small	42,024
General Service - Large Volume	3,180

52. The resulting interim rate adjustment for each customer class is shown in Exhibit A and as follows:

Rate Schedule	2010 Meter Charge	2010 IRA	2011 Proposed Meter Charge
Residential	\$ 13.54	\$ 0.20	\$ 13.74
General Service - Small	\$ 14.59	\$ 0.29	\$ 14.88
General Service - Large Volume	\$ 191.00	\$ 5.57	\$ 196.57

Reimbursements of Expense

53. As provided for in the statute and the rule, a gas utility that implements an IRA is required to reimburse the Commission for the utility's proportionate share of the Commission's annual costs related to the administration of the IRA mechanism.
54. After the Commission has finally acted on Entex's application for an IRA, the Director of the Gas Services Division will estimate Entex's proportionate share of the Commission's annual costs related to the processing of such applications.
55. In making the estimate of Entex's proportionate share of the Commission's annual costs related to the processing of such applications, the Director will take into account the number of utilities the Commission reasonably expects to file for IRAs during the fiscal year, and the costs expected to be incurred in processing such applications.

56. The Company is required to reimburse the Commission for the amount determined by the Director of the Gas Services Division, within thirty days after receipt of notice of the amount of the reimbursement.

CONCLUSIONS OF LAW

1. CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas (Entex) is a "gas utility" as defined in TEX. UTIL. CODE ANN. §101.003(7) (Vernon 2009) and §121.001 (Vernon 2009), and is therefore subject to the jurisdiction of the Railroad Commission of Texas (Commission).
2. The Commission has jurisdiction over Entex, Entex's applications for IRAs for incremental changes in investment, and the subject matter of this case under TEX. UTIL. CODE ANN. §102.001, §104.001, §104.002, and §104.301 (Vernon 2009).
3. Under TEX. UTIL. CODE ANN. §102.001 (Vernon 2009), the Commission has exclusive original jurisdiction over the rates and services of a gas utility that distributes natural gas in areas outside of a municipality and over the rates and services of a gas utility that transmits, transports, delivers, or sells natural gas to a gas utility that distributes the gas to the public.
4. Under the provisions of the TEXAS UTILITIES CODE ANN. §104.301 (Vernon 2009) and 16 TEX. ADMIN. CODE § 7.7101 (2010), Entex is required to seek Commission approval before implementing an IRA tariff for Entex's customers.
5. Entex filed its application for an IRA for changes in investment in accordance with the provisions of TEX. UTIL. CODE ANN. §104.301 (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101 (2010).
6. Entex's application for an IRA was processed in accordance with the requirements of TEX. UTIL. CODE ANN. §104.301 (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101 (2010).
7. In accordance with 16 TEX. ADMIN. CODE §7.315 (2010), within thirty days of the effective date of any change to rates or services, the Company is required to file with the Gas Services Division of the Commission its revised tariffs.
8. The Company may not charge any rate that has not been successfully filed and accepted as a tariff filing electronically pursuant to TEX. UTIL. CODE ANN. §102.151 and 104.002 (Vernon 2009) and 16 TEX. ADMIN. CODE §7.315 (2010).

9. In accordance with TEX. UTIL. CODE ANN. §104.301(a) (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101(a) (2010), the filing date of Entex's most recent rate case, in which there is a final order setting rates for the area in which the IRA will apply, was no more than two years prior to the date Entex filed its initial IRA.
10. Entex is required, under TEX. UTIL. CODE ANN. §104.301(e) (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101(d) (2010), to file with the Commission an annual project report, including the cost, need, and customers benefited by the change in investment, and describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year.
11. Entex shall include in all future annual IRA filings, relocation project reports that provide additional information about relocation project costs included in investment projects, in the same format as required in this docket.
12. Entex is required, under TEX. UTIL. CODE ANN. §104.301(f) (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101(e) (2010), to file with the Commission an annual earnings-monitoring report demonstrating Entex's earnings during the preceding calendar year.
13. Entex is required, under 16 TEX. ADMIN. CODE §7.7101(h) (2010), to recalculate its approved IRA annually and is required to file an application for an annual adjustment no later than 60 days prior to the one-year anniversary of the proposed implementation date of the previous IRA application.
14. In accordance with 16 TEX. ADMIN. CODE §7.7101(i) (2010), all amounts collected from customers under Entex's IRA tariffs or rate schedules are subject to refund. The issues of refund amounts, if any, and whether interest should be included on refunded amounts and, if so, the rate of interest, shall be addressed in the rate case a gas utility files or the Commission initiates after the implementation of an IRA and shall be the subjects of specific findings of fact in the Commission's final order setting rates.
15. In accordance with 16 TEX. ADMIN. CODE §7.7101(j) (2010), in the rate case that Entex files or the Commission initiates after the implementation of an IRA, any change in investment and related expenses and revenues that have been included in any IRA shall be fully subject to review for reasonableness and prudence. Upon issuance of a final order setting rates in the rate case that Entex files or the Commission initiates after the implementation of an IRA, any change in investment and related expenses and revenues that have been included in any IRA shall no longer be subject to review for reasonableness or prudence.
16. The Commission has authority to suspend the implementation of the IRA, under TEX. UTIL. CODE ANN. §104.301(a) (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101(e) (2010).
17. The Company provided adequate notice, in accordance with TEX. UTIL. CODE ANN. §104.301(a) (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101(b) (2010).

18. Entex's application for an IRA, as adjusted, complies with all provisions of TEX. UTIL. CODE ANN. §104.301 (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101 (2010).
19. The Company's IRA set forth in the findings of fact and conclusions of law in this Order comply with the provisions of TEX. UTIL. CODE ANN. §104.301 (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101 (2010).
20. In accordance with TEX. UTIL. CODE ANN. §104.301(h) (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101(l) (2010), Entex shall file a comprehensive rate case for the areas in which the IRA is implemented, no later than the 180th day after the fifth anniversary of the date its initial IRA became effective.
21. The Commission has authority, under TEX. UTIL. CODE ANN. §104.301(j) (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101(m) (2010), to recover from Entex the proportionate share of the Commission's annual costs related to the administration of the IRA mechanism.

IT IS THEREFORE ORDERED BY THE RAILROAD COMMISSION OF TEXAS THAT Entex's IRA, as adjusted, and to the extent recommended to be approved in the findings of fact and conclusions of law, are **HEREBY APPROVED**, subject to refund, to be effective for bills rendered on or after July 11, 2011.

IT IS FURTHER ORDERED THAT Entex **SHALL** file with the Commission no later than January 7, 2017, a statement of intent to change rates as required under TEX. UTIL. CODE ANN. §104.301(h) (Vernon 2009) and 16 TEX. ADMIN. CODE §7.7101(l) (2010).

IT IS FURTHER ORDERED THAT within 30 days of this order Entex **SHALL** electronically file its IRA tariffs, Exhibit A, in proper form that accurately reflect the rates approved by the Commission in this Order.

IT IS FURTHER ORDERED THAT Entex **SHALL** not charge any rate for that has not been electronically filed and accepted by the Commission as a tariff.

IT IS FURTHER ORDERED THAT Entex **SHALL** reimburse the expenses incurred by the Commission in reviewing this application. The amount of this reimbursement shall be determined by the Director of the Gas Services Division. This Order will not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T CODE §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the order is served on the parties.

Any portion of Entex's application not expressly granted herein is overruled. All requested findings of fact and conclusions of law, which are not expressly adopted herein, are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

SIGNED this 11th day of July, 2011.

RAILROAD COMMISSION OF TEXAS


ELIZABETH AMES JONES
CHAIRMAN


DAVID PORTER
COMMISSIONER


BARRY T. SMITHERMAN
COMMISSIONER

ATTEST

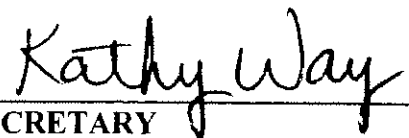

SECRETARY

EXHIBIT A

**CENTERPOINT ENERGY RESOURCES CORP.
D/B/A CENTERPOINT ENERGY ENTEX
AND CENTERPOINT ENERGY TEXAS GAS
HOUSTON DIVISION
RATE SHEET
RESIDENTIAL SERVICE
RATE SCHEDULE NO. R-2080-GRIP 2011**

APPLICATION OF SCHEDULE

This schedule is applicable to any customer to whom service is supplied in a single private dwelling unit and its appurtenances, the major use of which is for household appliances, and for the personal comfort and convenience of those residing therein.

Natural gas supplied hereunder is for the individual use of the customer at one point of delivery and shall not be resold or shared with others.

MONTHLY RATE

For bills rendered on and after the effective date of this rate schedule, the monthly rate for each customer receiving service under this rate schedule shall be the sum of the following:

(a) The Base Rate consisting of:

- (1) Customer Charge – \$13.74; *
- (2) Commodity Charge –
All Ccf \$0.0308 per Ccf

(b) Tax Adjustment – The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's applicable Tax Adjustment Rate Schedule and applicable Franchise Fee Adjustment Rate Schedule.

(c) Gas Cost Adjustment – The applicable Purchased Gas Adjustment (PGA) Rate – as calculated on a per Ccf basis and adjusted periodically under the applicable Purchased Gas Adjustment (PGA) Rate Schedule – for all gas used.

PAYMENT

Due date of the bill for service shall not be less than 15 days after issuance or such other period of time as may be provided by order of the regulatory authority. A bill for utility service is delinquent if unpaid by the due date.

RULES AND REGULATIONS

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

*Customer Charge	\$13.54
2011 GRIP Charge	<u> .20</u>
Total Customer Charge	\$13.74

**CENTERPOINT ENERGY RESOURCES CORP.
D/B/A CENTERPOINT ENERGY ENTEX
AND CENTERPOINT ENERGY TEXAS GAS
HOUSTON DIVISION
RATE SHEET
GENERAL SERVICE-SMALL
RATE SCHEDULE NO. GSS-2080-GRIP 2011**

APPLICATION OF SCHEDULE

This schedule is applicable to natural gas service to any customer engaging in any business, professional or institutional activity, for all uses of gas, including cooking, heating, refrigeration, water heating, air conditioning, and power.

This schedule is applicable to any general service customer for commercial uses and industrial uses, except standby service, whose average monthly usage for the prior calendar year is 150,000 cubic feet or less. Natural gas supplied hereunder is for the individual use of the customer at one point of delivery and shall not be resold or shared with others.

MONTHLY RATE

For bills rendered on and after the effective date of this rate schedule, the monthly rate for each customer receiving service under this rate schedule shall be the sum of the following:

- (a) The Base Rate consisting of:
 - (1) Customer Charge – \$14.88;*
 - (2) Commodity Charge –
All Ccf \$0.0403 per Ccf
- (b) Tax Adjustment – The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's applicable Tax Adjustment Rate Schedule and applicable Franchise Fee Adjustment Rate Schedule.
- (c) Gas Cost Adjustment – The applicable Purchased Gas Adjustment (PGA) Rate – as calculated on a per Ccf basis and adjusted periodically under the applicable Purchased Gas Adjustment (PGA) Rate Schedule – for all gas used.

PAYMENT

Due date of the bill for service shall not be less than 15 days after issuance or such other period of time as may be provided by order of the regulatory authority. A bill for utility service is delinquent if unpaid by the due date

RULES AND REGULATIONS

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

*Customer Charge	\$14.59
2011 GRIP Charge	.29
Total Customer Charge	\$14.88

**CENTERPOINT ENERGY RESOURCES CORP.
D/B/A CENTERPOINT ENERGY ENTEX
AND CENTERPOINT ENERGY TEXAS GAS
HOUSTON DIVISION
RATE SHEET
GENERAL SERVICE-LARGE VOLUME
RATE SCHEDULE NO. GSLV-611-GRIP 2011A**

AVAILABILITY

This schedule is available at points on existing facilities of adequate capacity and suitable pressure in the area designated in the Rate Book of **CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS** (hereinafter called "Company").

APPLICATION OF SCHEDULE

This schedule is applicable to any general service customer for commercial uses and industrial uses whose average monthly usage for the prior calendar year is more than 150,000 cubic feet. Gas supplied hereunder is for the individual use of the Consumer at one point of delivery and shall not be resold or shared with others. If the Consumer has a written contract with Company, the terms and provision of such contract shall be controlling.

MONTHLY RATE

For bills rendered on and after the effective date of this rate schedule, the monthly rate for each customer receiving service under this rate schedule shall be the sum of the following:

(a) The Base Rate consisting of:

(1) Customer Charge – \$196.57; *

(2) Commodity Charge –
All Ccf \$0.0554 per Ccf

(b) Tax Adjustment – The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's applicable Tax Adjustment Rate Schedule and applicable Franchise Fee Adjustment Rate Schedule.

(c) Gas Cost Adjustment – The applicable Purchased Gas Adjustment (PGA) Rate – as calculated on a per Mcf basis and adjusted periodically under the applicable Purchased Gas Adjustment (PGA) Rate Schedule – for all gas used.

WRITTEN CONTRACT

In order to receive a delivery from Company of more than 25 Mcf during any one day, the Consumer must execute a written contract with Company on Company's form of contract covering the sale of gas by Company to it. In the case of existing Consumers, the maximum gas usage during any one day shall be obtained from the records of the Company, except in cases where the existing Consumer will be purchasing increased volumes of gas from Company because of expansions or for any other reasons, in which event the Company may estimate usage by such Consumer. Also in the case of new Consumers, the Company may estimate usage by the Consumer. Any such estimates made by Company shall be binding on Consumer in determining whether or not a contract is required. Such written contract shall be executed by Consumer upon request of Company and Company shall not be obligated to serve any such Consumer more than 25 Mcf during any one day until such written contract is executed and delivered by Consumer.

*Customer Charge	\$191.00
2011 GRIP Charge	<u>5.57</u>
Total Customer Charge	\$196.57

**CENTERPOINT ENERGY RESOURCES CORP.
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HOUSTON DIVISION
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MEASUREMENT

The term "cubic foot of gas" for the purpose of measurement of the gas delivered and for all other purposes is the amount of gas necessary to fill a cubic foot of space when the gas is at an absolute pressure of 14.95 pounds per square inch and at a base temperature of sixty (60) degrees Fahrenheit.

The term "Mcf" shall mean 1,000 cubic feet of gas.

The Sales Unit shall be one Mcf.

Assumed Atmospheric Pressure - The average atmospheric pressure shall be assumed to be fourteen and seven-tenths (14.7) pounds per square inch, irrespective of actual elevation or location of the point of delivery above sea level or variation in such atmospheric pressure from time to time.

Orifice Meters - When orifice meters are used for the measurement of gas, such orifice meters shall be constructed and installed, and the computations of volume made, in accordance with the provisions of Gas Measurement Committee Report No. 3 of the American Gas Association as revised September, 1969 ("A.G.A. Report No. 3), with any subsequent amendments or revisions which may be mutually acceptable.

The temperature of the gas shall be determined by a recording thermometer so installed that it may record the temperature of the gas flowing through the meter or meters. The average of the record to the nearest one (1) degree Fahrenheit, obtained while gas is being delivered, shall be the applicable flowing gas temperature for the period under consideration.

The specific gravity of the gas shall be determined by a recording gravitometer owned and operated by the pipeline company from whom Company purchases its gas, so installed that it may record the specific gravity of the gas flowing through the meter or meters; provided, however, that the results of spot tests made by the pipeline company with a standard type specific gravity instrument shall be used at locations where the pipeline company does not have a recording gravitometer in service. If the recording gravitometer is used, the average of the record to the nearest one-thousandth (0.001), obtained while gas is being delivered, shall be the applicable specific gravity of the gas for the period under consideration. If the spot test method is used, the specific gravity of the gas delivered hereunder shall be determined once monthly, the result obtained, to the nearest one-thousandth (0.001), to be applicable during the succeeding billing month.

Adjustment for the effect of supercompressibility shall be made according to the provisions of A.G.A. Report No. 3, hereinabove identified, for the average conditions of pressure, flowing temperature and specific gravity at which the gas was measured during the period under consideration, and with the proportionate value of each carbon dioxide and nitrogen in the gas delivered included in the computation of the applicable supercompressibility factors. Company shall obtain appropriate carbon dioxide and nitrogen fraction values as may be required from time to time.

Positive Displacement Meters and Turbine Meters - When positive displacement meters and/or turbine meters are used for the measurement of gas, the flowing temperature of the gas metered shall be assumed to be sixty (60) degrees Fahrenheit, and no correction shall be made for any variation therefrom; provided however, that company shall have the option of installing a recording thermometer, and if company exercises such option, corrections shall be made for each degree variation in the applicable flowing temperature for the period under consideration.

**CENTERPOINT ENERGY RESOURCES CORP.
D/B/A CENTERPOINT ENERGY ENTEX
AND CENTERPOINT ENERGY TEXAS GAS
HOUSTON DIVISION
RATE SHEET
GENERAL SERVICE-LARGE VOLUME
RATE SCHEDULE NO. GSLV-611-GRIP 2011A**

The volumes of gas determined shall be adjusted for the effect of supercompressibility as follows:

- (A) When the flowing temperature of gas is assumed to be sixty (60) degrees Fahrenheit, the supercompressibility factor shall be the square of the factor, F_{pv} , computed in accordance with the principles of the A.G. A. Report No. 3, hereinabove identified, for a pure hydrocarbon gas of six-tenths (0.6) specific gravity and for the average pressure at which the gas was measured.
- (B) When the flowing gas temperature is recorded and applied according to the option above, the supercompressibility factor shall be the square of the factor, F_{pv} , computed in accordance with the principles of the American Gas Association Gas Measurement Committee Report No. 3, hereinabove identified, for a pure hydrocarbon gas of six-tenths (0.6) specific gravity and for the average conditions of pressure and flowing temperature at which the gas was measured.

SUPPLY INTERRUPTIONS

Total or partial interruption of gas deliveries due to acts of God, the elements, requirements for residential and other uses declared superior to Consumers by law, or to other causes or contingencies beyond the control of Company or not proximately caused by Company's negligence, shall not be the basis for claims-delivery and receipt of gas to be resumed whenever any such cause or contingency shall end.

CHARGES FOR UNAUTHORIZED OVER-RUN GAS

Any gas taken during any day by Consumer which exceeds the maximum daily quantity specified in Consumer's contract with Company shall be considered to be unauthorized over-run gas. Any gas taken by Consumer after the effective hour of an order calling for a complete curtailment of all gas deliveries, and prior to the authorized resumption of natural gas service, hereunder shall be considered to be unauthorized over-run gas. Any gas taken by Consumer after the effective hour of an order calling for a partial curtailment, and prior to the authorized resumption of natural gas service, which exceeds the stated amount of gas deliveries Consumer may take during such partial curtailment, shall be considered to be unauthorized over-run gas. Company shall bill, and Consumer shall pay for unauthorized over-run gas at the rate of \$10.00 per Mcf, in addition to the Monthly Rate specified herein for such gas. The payment of such additional charge for unauthorized over-run gas shall not, under any circumstances, be considered as giving the Consumer the right to take unauthorized over-run gas, nor shall such payment be considered to exclude or limit any other remedies available to Company against the Consumer for exceeding the maximum daily quantity specified in Consumer's contract with Company, or for failure to comply with curtailment orders issued by Company hereunder.

The additional amount specified above charged for unauthorized over-run gas shall be adjusted, either plus or minus, to conform to the change made by Company's supplier in its rate schedule under which Company purchases its gas supply for resale under this schedule.

RULES AND REGULATIONS

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

**CENTERPOINT ENERGY RESOURCES CORP.
D/B/A CENTERPOINT ENERGY ENTEX
AND CENTERPOINT ENERGY TEXAS GAS
HOUSTON DIVISION
RATE SHEET
GENERAL SERVICE-LARGE VOLUME
RATE SCHEDULE NO. GSLV-611-GRIP 2011A**

AVAILABILITY

This schedule is available at points on existing facilities of adequate capacity and suitable pressure in the area designated in the Rate Book of **CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS** (hereinafter called "Company").

APPLICATION OF SCHEDULE

This schedule is applicable to any general service customer for commercial uses and industrial uses whose average monthly usage for the prior calendar year is more than 150,000 cubic feet. Gas supplied hereunder is for the individual use of the Consumer at one point of delivery and shall not be resold or shared with others. If the Consumer has a written contract with Company, the terms and provision of such contract shall be controlling.

MONTHLY RATE

For bills rendered on and after the effective date of this rate schedule, the monthly rate for each customer receiving service under this rate schedule shall be the sum of the following:

(a) The Base Rate consisting of:

- (1) Customer Charge – \$196.57; *
- (2) Commodity Charge –
All Ccf \$0.0554 per Ccf

(b) Tax Adjustment – The Tax Adjustment will be calculated and adjusted periodically as defined in the Company's applicable Tax Adjustment Rate Schedule and applicable Franchise Fee Adjustment Rate Schedule.

(c) Gas Cost Adjustment – The applicable Purchased Gas Adjustment (PGA) Rate – as calculated on a per Mcf basis and adjusted periodically under the applicable Purchased Gas Adjustment (PGA) Rate Schedule – for all gas used.

WRITTEN CONTRACT

In order to receive a delivery from Company of more than 25 Mcf during any one day, the Consumer must execute a written contract with Company on Company's form of contract covering the sale of gas by Company to it. In the case of existing Consumers, the maximum gas usage during any one day shall be obtained from the records of the Company, except in cases where the existing Consumer will be purchasing increased volumes of gas from Company because of expansions or for any other reasons, in which event the Company may estimate usage by such Consumer. Also in the case of new Consumers, the Company may estimate usage by the Consumer. Any such estimates made by Company shall be binding on Consumer in determining whether or not a contract is required. Such written contract shall be executed by Consumer upon request of Company and Company shall not be obligated to serve any such Consumer more than 25 Mcf during any one day until such written contract is executed and delivered by Consumer.

*Customer Charge	\$191.00
2011 GRIP Charge	<u>5.57</u>
Total Customer Charge	\$196.57

**CENTERPOINT ENERGY RESOURCES CORP.
D/B/A CENTERPOINT ENERGY ENTEX
AND CENTERPOINT ENERGY TEXAS GAS
HOUSTON DIVISION
RATE SHEET
GENERAL SERVICE-LARGE VOLUME
RATE SCHEDULE NO. GSLV-611-GRIP 2011A**

MEASUREMENT

The term "cubic foot of gas" for the purpose of measurement of the gas delivered and for all other purposes is the amount of gas necessary to fill a cubic foot of space when the gas is at an absolute pressure of 14.95 pounds per square inch and at a base temperature of sixty (60) degrees Fahrenheit.

The term "Mcf" shall mean 1,000 cubic feet of gas.

The Sales Unit shall be one Mcf.

Assumed Atmospheric Pressure - The average atmospheric pressure shall be assumed to be fourteen and seven-tenths (14.7) pounds per square inch, irrespective of actual elevation or location of the point of delivery above sea level or variation in such atmospheric pressure from time to time.

Orifice Meters - When orifice meters are used for the measurement of gas, such orifice meters shall be constructed and installed, and the computations of volume made, in accordance with the provisions of Gas Measurement Committee Report No. 3 of the American Gas Association as revised September, 1969 ("A.G.A. Report No. 3), with any subsequent amendments or revisions which may be mutually acceptable.

The temperature of the gas shall be determined by a recording thermometer so installed that it may record the temperature of the gas flowing through the meter or meters. The average of the record to the nearest one (1) degree Fahrenheit, obtained while gas is being delivered, shall be the applicable flowing gas temperature for the period under consideration.

The specific gravity of the gas shall be determined by a recording gravitometer owned and operated by the pipeline company from whom Company purchases its gas, so installed that it may record the specific gravity of the gas flowing through the meter or meters; provided, however, that the results of spot tests made by the pipeline company with a standard type specific gravity instrument shall be used at locations where the pipeline company does not have a recording gravitometer in service. If the recording gravitometer is used, the average of the record to the nearest one-thousandth (0.001), obtained while gas is being delivered, shall be the applicable specific gravity of the gas for the period under consideration. If the spot test method is used, the specific gravity of the gas delivered hereunder shall be determined once monthly, the result obtained, to the nearest one-thousandth (0.001), to be applicable during the succeeding billing month.

Adjustment for the effect of supercompressibility shall be made according to the provisions of A.G.A. Report No. 3, hereinabove identified, for the average conditions of pressure, flowing temperature and specific gravity at which the gas was measured during the period under consideration, and with the proportionate value of each carbon dioxide and nitrogen in the gas delivered included in the computation of the applicable supercompressibility factors. Company shall obtain appropriate carbon dioxide and nitrogen fraction values as may be required from time to time.

Positive Displacement Meters and Turbine Meters - When positive displacement meters and/or turbine meters are used for the measurement of gas, the flowing temperature of the gas metered shall be assumed to be sixty (60) degrees Fahrenheit, and no correction shall be made for any variation therefrom; provided however, that company shall have the option of installing a recording thermometer, and if company exercises such option, corrections shall be made for each degree variation in the applicable flowing temperature for the period under consideration.

**CENTERPOINT ENERGY RESOURCES CORP.
D/B/A CENTERPOINT ENERGY ENTEX
AND CENTERPOINT ENERGY TEXAS GAS
HOUSTON DIVISION
RATE SHEET
GENERAL SERVICE-LARGE VOLUME
RATE SCHEDULE NO. GSLV-611-GRIP 2011A**

The volumes of gas determined shall be adjusted for the effect of supercompressibility as follows:

- (A) When the flowing temperature of gas is assumed to be sixty (60) degrees Fahrenheit, the supercompressibility factor shall be the square of the factor, F_{pv} , computed in accordance with the principles of the A.G. A. Report No. 3, hereinabove identified, for a pure hydrocarbon gas of six-tenths (0.6) specific gravity and for the average pressure at which the gas was measured.
- (B) When the flowing gas temperature is recorded and applied according to the option above, the supercompressibility factor shall be the square of the factor, F_{pv} , computed in accordance with the principles of the American Gas Association Gas Measurement Committee Report No. 3, hereinabove identified, for a pure hydrocarbon gas of six-tenths (0.6) specific gravity and for the average conditions of pressure and flowing temperature at which the gas was measured.

SUPPLY INTERRUPTIONS

Total or partial interruption of gas deliveries due to acts of God, the elements, requirements for residential and other uses declared superior to Consumers by law, or to other causes or contingencies beyond the control of Company or not proximately caused by Company's negligence, shall not be the basis for claims-delivery and receipt of gas to be resumed whenever any such cause or contingency shall end.

CHARGES FOR UNAUTHORIZED OVER-RUN GAS

Any gas taken during any day by Consumer which exceeds the maximum daily quantity specified in Consumer's contract with Company shall be considered to be unauthorized over-run gas. Any gas taken by Consumer after the effective hour of an order calling for a complete curtailment of all gas deliveries, and prior to the authorized resumption of natural gas service, hereunder shall be considered to be unauthorized over-run gas. Any gas taken by Consumer after the effective hour of an order calling for a partial curtailment, and prior to the authorized resumption of natural gas service, which exceeds the stated amount of gas deliveries Consumer may take during such partial curtailment, shall be considered to be unauthorized over-run gas. Company shall bill, and Consumer shall pay for unauthorized over-run gas at the rate of \$10.00 per Mcf, in addition to the Monthly Rate specified herein for such gas. The payment of such additional charge for unauthorized over-run gas shall not, under any circumstances, be considered as giving the Consumer the right to take unauthorized over-run gas, nor shall such payment be considered to exclude or limit any other remedies available to Company against the Consumer for exceeding the maximum daily quantity specified in Consumer's contract with Company, or for failure to comply with curtailment orders issued by Company hereunder.

The additional amount specified above charged for unauthorized over-run gas shall be adjusted, either plus or minus, to conform to the change made by Company's supplier in its rate schedule under which Company purchases its gas supply for resale under this schedule.

RULES AND REGULATIONS

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations, as such rules may be amended from time to time. A copy of the Company's General Rules and Regulations may be obtained from Company's office located at 1111 Louisiana Street, Houston, Texas.

EXHIBIT B

CenterPoint Energy Entex
Houston Division
Earnings Monitoring Report
For The Year Ended December 31, 2010

Line No.	Description	FERC	Year Ended 12/31/2010	Adjustments	Adjusted Year Ended 12/31/2010
1	Operating Revenues				
2	Gas Sales Revenues	480-485	\$ 774,497,782	\$ (587,642,045)	\$ 186,855,737
3	Other Operating Revenues	487-496	28,266,354	(3,174,273)	25,092,081
4	Total Operating Revenues		\$ 802,764,136	\$ (590,816,318)	\$ 211,947,818
5	Operating Expenses				
6	Gas Purchased	800-813	\$ 445,218,618	\$ (445,218,618)	\$ -
7	Transmission of Gas	858	111,058,073	(111,058,073)	-
8	Division Operations Expenses	870-881	36,115,126	(4,437)	36,110,689
9	Division Maintenance Expenses	885-894	17,956,437	(4,437)	17,952,000
10	Customer Accounting Expenses	901-916	38,477,407	841,983	39,319,390
11	Administrative & General Expenses	920-932	38,161,128	(1,835,587)	36,325,541
12	Depreciation Expenses	403-407	30,206,407		30,206,407
13	Taxes Other than Income	408.1	41,435,245	(32,469,622)	8,965,623
14	Total Operating Expenses		\$ 758,628,441	\$ (589,748,791)	\$ 168,879,650
15	Operating Income		\$ 44,135,695	\$ (1,067,527)	\$ 43,068,168
16	Federal Income Tax		14,926,451	(1,988,291)	12,938,160
17	Total Income before Other Inc & Deductions	409-410	\$ 29,209,244	\$ 920,764	\$ 30,130,008
18	Rate Base		[2] \$ 356,912,731	\$	\$ 356,912,731
19	Percent Return on Rate Base			8.180%	8.440%

[1] Supporting workpapers for Income Statement items and related adjustments can be found at "Workpaper 1 - Income Statement"

[2] Rate Base workpapers can be found at "Workpaper 2 - Rate Base"

SUMMARY
CENTERPOINT ENERGY - HOUSTON DIVISION
Period Ended December 31, 2010

Line No.	Description (a)	Prior Year* (b)	Reference (c)	12/31/10 Current Year (d)	Reference (e)
1	Net Investment	\$ 431,354,240	(IRA-7, Ln. 62, Col. k)	\$ 440,079,171	(IRA-8, Ln. 69, Col. l)
2	Increase in Net Investment			\$ 8,724,931	(Ln. 1, Col. d) minus (Ln. 1, Col. b)
3	Authorized Return on Capital			8.6505%	(IRA-15, Ln. 7, Col. c)
4				\$ 754,750	(Ln. 2, Col. d) times (Ln. 3, Col. d)
5	Change in Return on Net Investment			\$ 1,141,913	(IRA-10, Ln. 70, Col. l) plus (IRA-13, Ln. 62, Col. l)
6	Change in Depreciation Expense			\$ 587,822	(IRA-5, Ln. 3, Col. g) plus (IRA-6, Ln. 22, Col. c) plus (IRA-6, Ln. 26, Col. c)
7	Change in Federal, Revenue, and Other Taxes			\$ 2,484,485	(Sum Ln. 5 thru 7, Col. d)
8	Change in Revenue Requirement			\$ 11,374,395	(WP IRA-3a Cust Count Ln. 12 Col. P) plus (WP IRA-3a Cust Count Ln. 21 Col. P)
9	Annual Number of Bills				See Below
10					
11	Increase Per Bill Per Month				
12	(to be applied to monthly customer charge of initial block rate, check one)				
13	X Monthly Customer Charge				
14	Initial Block Rate				
15					

Current and Proposed Bill Information - With Gas Cost				
	Current	Proposed	Difference	% Change
16				
17				
18	Residential Customers (R-2080):			
19	Average Monthly Bill* @ 35 Ccf (3.5 Mcf)	\$36.86	\$37.06	\$0.20
20				0.54%
21	Commercial Customers (GSS-2080):			
22	Current Average Monthly Bill* @ 170 Ccf (17.0 Mcf)	\$129.46	\$129.75	\$0.29
23				0.22%
24	General Service-Large Volume Customers (GSLV-611):			
25	Current Average Monthly Bill* @ 3,533 Ccf (353.3 Mcf)	\$2,631.67	\$2,637.24	\$5.57
26				0.21%
27				
28	* Average Use per month per GUD 9902 - Exh. HD-3, PGA = March 2011.			

Current and Proposed Bill Information - Without Gas Cost				
	Current	Proposed	Difference	% Change
29				
30				
31	Residential Customers (R-2080):			
32	Average Monthly Bill* @ 35 Ccf (3.5 Mcf)	\$14.62	\$14.82	\$0.20
33				1.37%
34	Commercial Customers (GSS-2080):			
35	Current Average Monthly Bill* @ 170 Ccf (17.0 Mcf)	\$21.44	\$21.73	\$0.29
36				1.35%
37	General Service-Large Volume Customers (GSLV-611):			
38	Current Average Monthly Bill* @ 3,533 Ccf (353.3 Mcf)	\$386.73	\$392.30	\$5.57
39				1.44%
40				
41	* Average Use per month per GUD 9902 - Exh. HD-3.			

* Amounts per order Nunc Pro Tunc in GUD No. 9902 issued May 4, 2010.
Net Investment represents per test year ended 3/31/09 updated for CWP thru 6/30/09.
Amounts shown are Standard Sales Service
\$122,504 was removed from Capital Investment related to Employee Expense Reimbursement.

REVENUE RELATED AND OTHER TAXES
CENTERPOINT ENERGY - HOUSTON DIVISION
Period Ended December 31, 2010

Line No.	Description	Total (1)	Adjustments (2)	12 Month End As Adjusted (at Present Rates)	Adjustments (2)	12 Month End As Adjusted (at Proposed Rates)	Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Non Revenue - Related						
2							
3	Ad Valorem Tax	\$ 6,683,669	\$ -	\$ 6,683,669	\$ 288,706	\$ 6,972,375	\$ 288,706
4							
5	Revenue - Related						
6							
7	State Gross Receipts - Tax	Note 3	Note 3	Note 3	Note 3	Note 3	Note 3
8	City Franchise Fee	Note 3	Note 3	Note 3	Note 3	Note 3	Note 3
9	Over/Under Recovery of City and State GRT	Note 3	Note 3	Note 3	Note 3	Note 3	Note 3
10	Pipeline Safety Fee	Note 3	Note 3	Note 3	Note 3	Note 3	Note 3
11							
12	Total Revenue Related Taxes	Note 3	Note 3	Note 3	Note 3	Note 3	Note 3
13							
14							
15							
16							
17	Notes:						
18	1. Column (b) is the amount authorized in GUD No. 9902 - Standard Sales Service amount.						
19	2. Adjustment based on same methodology from GUD No. 9902						
20	3. Revenue-related taxes are recovered through tariff provisions other than the base tariff rates (i.e., Rider FFA-3 and Rider TA-9).						

Adjustment	Division	Standard
Gross Plant at 12/31/10	905,843,584	894,059,413
Storage Gas - 12 Month Average at 12/31/10	16,360,634	15,528,807
Gross Plant + Storage Gas	922,204,218	909,588,219
Ad Valorem Tax Rate per GUD 9902		0.7665%
Ad Valorem Tax at 12/31/10		6,972,375
Ad Valorem Tax per GUD 9902		6,683,669
Change		288,706

FEDERAL INCOME TAX
CENTERPOINT ENERGY - HOUSTON DIVISION
 Period Ended December 31, 2010

Line No.	Description	PRIOR YEAR (1)		CURRENT YEAR (2)		
		(a)	(b)	(c)	(d)	(e)
1	Return on Investment					
2	Invested Capital (Rate Base)	\$	356,245,440		364,970,371	
3	Rate of Return (IRA-15, Ln. 7, Col. c)		8.6505%		8.6505%	
4	Return on Investment		\$	30,817,012		\$
5						31,571,762
6	Interest Expense					
7	Invested Capital (Rate Base)	\$	356,245,440		364,970,371	
8	Weighted Cost of Debt (IRA-15, Ln. 4, Col. c)		2.8125%		2.8125%	
9	Interest Expense		\$	10,019,403		\$
10						10,264,792
11	After Tax Income		\$	20,797,609		\$
12						21,306,970
13	Gross-up Factor		=1+(C17)/(1-C17)	1.538461538	=1+(E17)/(1-E17)	1.538461538
14						
15	Before Tax Return		\$	31,996,322		\$
16						32,779,954
17	Federal Income Tax Rate			35.00%		35.00%
18						
19	Federal Income Tax		\$	11,198,713		\$
20						11,472,984
21	CHANGE IN FEDERAL INCOME TAX		\$	274,271		\$
22						
23						
24	Incremental Texas Gross Margin Tax Base (IRA-3 Line 8, col. d)		\$	2,484,485		\$
25	Texas Gross Margin Tax Rate			1.0%		
26	CHANGE IN STATE MARGIN TAX		\$	24,845		\$

(1) Amounts per GUD No. 9902 - Standard Sales Service amounts.

(2) Amounts in Col. b plus IRA-3, Ln 2, Col. D

Investment Detail - Previous
CENTERPOINT ENERGY - HOUSTON DIVISION
Per Most Recent Rate Case - GUD Docket No.: 9902

Line No.	NARUC Account No.	FERC Note: (see note tab)	FERC Account No.	F.E.R.C. Account Title: (1)	Original Cost (e)	Approved Depreciation Rate (f)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)	Standard Allocation (j)	Standard Amount (k)
1											
2	302		302-6010	Intangible Plant	\$ 4,913	0.000%	\$ -	\$ -	\$ 4,913		
3	303		303-6035	Miscellaneous Intangible Plant	9,635,985	10.000%	963,598	3,977,682	5,657,852		
4	303		303-6035	Miscellaneous Intangible Plant	166,884	20.000%	33,373	10,864	158,978		
5	303		303-6035	Miscellaneous Intangible Plant	1,811,867	0.000%	-	1,811,867	-		
6	303		303-6035	Miscellaneous Intangible Plant	2,794,317	0.000%	-	2,794,317	-		
7	303		303-6060	Software-SAP	1,538,239	0.000%	-	1,538,239	-		
8	303		303-6060	Software-SAP	10,019,499	10.000%	1,001,949	8,756,594	1,260,895		
9											
10				Subtotal	\$ 25,974,674		\$ 1,999,520	\$ 18,890,983	\$ 7,082,839		
11											
12											
13	374		374-6840	Land	\$ 564,842	0.000%	\$ -	\$ -	\$ 564,842		
14	374		374-6900	Land Rights	661,538	1.600%	11,180	243,568	417,970		
15	375		375-6900	Structures & Improvements	915,818	2.900%	23,720	390,864	534,954		
16	376		376-6940	Miscellaneous Cast Iron	3,282,178	0.000%	-	4,297,602	(1,015,424)		
17	376		376-6951	Miscellaneous Steel	174,339,943	3.170%	5,528,576	117,543,982	56,787,569		
18	376		376-6952	Miscellaneous Steel	168,925,708	2.950%	4,963,308	61,147,138	107,755,659		
19	378		378-6980	Miscellaneous Reg. Station Equipment-General	5,457,357	4.600%	243,398	2,260,051	3,195,464		
20	378		378-7000	Miscellaneous Reg. Station Equipment-General	95,603	7.250%	6,928	(92,275)	187,928		
21	379		379-7010	Miscellaneous Reg. Station Equipment-City Gate	11,647,343	2.960%	344,761	4,183,213	7,463,903		
22	379		379-7020	Miscellaneous Reg. Station Equipment-City Gate	39,943,261	3.460%	1,382,037	36,532,598	3,410,303		
23	380		380-7023	Miscellaneous Plastic	231,531,308	3.600%	8,060,443	99,775,210	131,746,658		
24	381		381-7050	Miscellaneous Domestic/Small	47,325,080	2.960%	1,211,322	18,819,236	28,505,844		
25	381		381-7075	Miscellaneous ERTS	3,985,018	5.650%	202,354	1,118,012	2,867,006		
26	382		382-7080	Miscellaneous Meter Install Domestic-Small	71,499,399	3.570%	2,532,528	28,060,541	43,438,858		
27	382		382-7090	Miscellaneous Meter Install Domestic-Large	20,958,182	4.710%	987,130	28,060,541	17,897,641		
28	383		383-7120	Miscellaneous Regulator-Domestic	19,063,433	4.780%	811,232	5,658,627	13,404,806		
29	383		383-7130	Miscellaneous Regulator-Industrial	-	3.370%	-	-	-		
30	383		383-7130	Miscellaneous Regulator-Industrial	2,187,547	3.370%	33,251	1,456,440	731,107		
31	383		383-7130	Miscellaneous Regulator-Industrial	-	3.370%	-	-	-		
32	385		385-7150	Miscellaneous Ind. Meas. & Reg. Station Equipment	1,747,174	3.630%	66,742	593,100	1,154,074		
33	386		386-7157	Miscellaneous Other Property-Customer Premises	10,573	2.330%	246	4,998	8,575		
34	387		387-7160	Miscellaneous Other Equipment-ONG Equipment	2,245,967	4.420%	98,272	1,517,856	728,111		
35				Subtotal	\$ 605,987,332		\$ 26,666,838	\$ 396,783,013	\$ 409,129,673		
36											
37											
38											
39	389		389-7180	Land	\$ 28,207	0.000%	\$ -	\$ -	\$ 28,207		
40	390		390-7200	Structures & Improvements	490,696	2.570%	12,354	55,973	424,713		
41	390		390-7225	Leasehold Improvements	4,304,063	0.100%	4,304	1,941,179	2,362,884		
42	391		391-7230	Office Furniture & Equipment-Miscellaneous	18,985	5.000%	949	1,861	17,324		
43	391		391-7230	Office Furniture & Equipment-General	2,945,280	5.000%	147,265	1,956,538	988,722		
44	391		391-7260	Computer Equipment-Miscellaneous	1,362,185	14.280%	194,856	1,030,350	327,692		
45	392		392-7300	Airies	151,960	12.500%	18,998	(73,168)	175,148		
46	392		392-7320	Trucks	13,234,179	12.500%	1,654,272	6,054,469	7,173,191		
47	392		392-7340	Trailers	-	12.500%	-	-	-		
48	393		393-7355	Shore Equipment	2,307	6.670%	154	538	1,769		
49	394		394-7362	Tools/Work Equipment	3,510,994	8.330%	292,466	1,029,131	2,481,863		
50	394		394-7364	Shop Equipment	2,504	8.330%	209	1,565	939		
51	394		394-7366	Garage Equipment	229,199	8.330%	19,082	33,884	188,063		
52	395		395-7370	Laboratory Equipment	88,363	5.000%	4,318	7,456	78,907		
53	396		396-7380	Power Operated Equipment	2,085,191	12.500%	260,949	662,272	1,422,919		
54	397		397-7390	Communication Equipment	5,821,129	5.000%	291,056	2,473,504	3,347,639		
55	397		397-7420	General Communication Equipment-Meter Reading	-	5.650%	-	-	-		
56	398		398-7450	Misc. & Other Equipment	1,252,217	6.670%	83,523	404,009	848,208		
57				Subtotal	\$ 35,515,449		\$ 2,984,263	\$ 15,569,361	\$ 19,927,188		
58											
59											
60				TOTAL	\$ 667,477,455		\$ 31,650,619	\$ 431,243,357	\$ 436,130,500		
61				Retirement Work in Progress (2)				(800,215)	900,215		
62				Adjusted Total	\$ 667,477,455		\$ 31,650,619	\$ 430,943,142	\$ 437,030,715	98.7%	\$ 431,354,240
63				Notes							
64				1. Only applicable FERC functions are included in the report.							
65				2. Retirement Work in Progress is included in the report.							

Investment Detail - Current
CENTERPOINT ENERGY - HOUSTON DIVISION
Period Ended December 31, 2010

Line No.	MARUC Account No.	FERC Account No.	FERC Account Titles (1)	Original Cost (e)	Approved Depreciation Rate (f)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)	Standard Allocation (j)	Standard Amount (k)
1. INTANGIBLE PLANT										
1	302	302-6010	Intangible Plant	\$ 4,913	0.00%	\$ -	\$ -	\$ 4,913		
2	303	303-6035	Miscellaneous Intangible Plant	9,710,399	10.00%	971,040	5,701,328	4,009,072		
3	303	303-6035	Miscellaneous Intangible Plant	213,959	20.00%	42,792	14,860	139,099		
4	303	303-6035	Miscellaneous Intangible Plant	1,811,887	0.00%	-	1,811,887	-		
5	303	303-6035	Miscellaneous Intangible Plant	2,794,317	0.00%	-	2,794,317	-		
6	303	303-6060	Software-SAP	1,538,239	0.00%	-	1,538,239	-		
7	303	303-6060	Software-SAP	10,060,261	0.00%	-	10,060,261	-		
8	303	303-6060	Software-SAP	26,153,956	0.00%	-	26,153,956	-		
9				\$ 26,153,956		\$ 1,013,832	\$ 22,000,872	\$ 4,153,084		
10										
11										
12										
13	374	374-6840	Land	4,149,159	0.00%	-	-	4,149,159		
14	374	374-6860	Land Rights	661,538	1.60%	11,160	266,020	385,518		
15	375	375-6900	Structures & Improvements	900,498	2.50%	23,556	419,487	480,011		
16	376	376-6940	Main-Excluding Cast Iron	3,282,178	0.00%	-	4,488,717	(1,206,539)		
17	376	376-6951	Main-Steel	183,298,326	3.17%	5,810,557	121,383,140	61,905,186		
18	376	376-6952	Main-Plastic	178,897,635	2.95%	5,277,185	89,111,773	109,775,862		
19	378	378-6980	Meas and Reg Station Equipment-General	5,467,658	4.46%	243,658	2,310,221	3,157,437		
20	378	378-7000	Meas and Reg Station Equipment-General	118,543	7.25%	8,594	(80,513)	199,056		
21	379	379-7010	Meas and Reg Station Equipment-General	12,019,701	2.96%	355,783	4,689,473	7,330,228		
22	380	380-7022	Services-Steel	36,759,989	3.46%	1,271,985	35,364,181	1,395,508		
23	380	380-7023	Services-Plastic	248,648,691	3.49%	8,677,770	119,261,468	129,387,224		
24	381	381-7050	Meters-Domestic/Small	49,166,524	2.60%	1,258,663	16,835,663	32,330,861		
25	381	381-7075	Meters-ERTS	-	6.60%	-	-	-		
26	382	382-7080	Meter Install Domestic-Small	76,351,167	3.57%	2,725,737	32,068,872	44,282,295		
27	382	382-7090	Meter Install Domestic-Large	23,214,489	4.71%	1,093,403	14,843,464	8,371,035		
28	383	383-7120	Regulator-Domestic	19,354,187	4.76%	925,130	4,875,543	14,478,644		
29	383	383-7120	Regulator-Domestic	-	3.37%	-	-	-		
30	383	383-7130	Regulator-Industrial	1,856,965	1.52%	28,226	1,82,724	674,241		
31	383	383-7130	Regulator-Industrial	-	3.37%	-	-	-		
32	385	385-7150	Ind Meas & Reg Station Equipment	1,722,499	3.82%	65,799	690,831	1,031,668		
33	386	386-7157	Other Property-Customer Premises	-	2.33%	-	(2,827)	2,827		
34	387	387-7160	Other Equipment-CNG Equipment	2,245,998	4.42%	99,273	1,863,520	352,478		
35				\$ 2,245,998		\$ 99,273	\$ 1,863,520	\$ 352,478		
36				\$ 848,112,435		\$ 27,876,598	\$ 429,211,305	\$ 418,901,130		
37			Subtotal							
38										
39	389	389-7180	Land	28,207	0.00%	-	-	28,207		
40	390	390-7200	Structures & Improvements	644,025	2.57%	16,551	77,079	566,946		
41	390	390-7225	Leasehold Improvements	1,151,000	0.10%	1,151	(1,210,185)	2,361,185		
42	391	391-7230	Office Furniture & Equipment-Miscellaneous	1,488,716	5.00%	74,436	548,682	16,283		
43	391	391-7260	Computer Equipment-Miscellaneous	1,653,881	5.00%	82,690	328,257	840,624		
44	391	391-7260	Computer Equipment-Miscellaneous	185,874	14.28%	26,540	1,325,824	218,970		
45	392	392-7300	Auto	13,361,293	12.50%	1,672,862	7,020,429	6,360,864		
46	392	392-7320	Trucks	491,795	12.50%	61,474	174,169	317,605		
47	392	392-7340	Trailers	-	6.67%	-	(2,307)	2,307		
48	393	393-7355	Stores Equipment	1,549,656	6.33%	129,036	(1,664,323)	3,213,379		
49	394	394-7362	Shop Equipment	1,252	8.33%	104	443	808		
50	394	394-7364	Shop Equipment	3,400	8.33%	283	(24,131)	27,530		
51	394	394-7366	Garage Equipment	85,276	5.00%	4,264	9,594	75,682		
52	395	395-7370	Laboratory Equipment	1,526,634	12.50%	190,754	528,006	898,628		
53	396	396-7380	Power Operated Equipment	5,132,922	5.00%	256,646	1,855,406	3,277,515		
54	397	397-7390	Communication Equipment	3,910,451	5.85%	220,940	1,011,192	2,899,259		
55	397	397-7420	General Communication Equipment-Meter Reading	496,518	6.67%	30,450	(329,766)	766,304		
56	398	398-7450	Misc & Other Equipment	-	-	-	-	-		
57			Subtotal	\$ 31,899,895		\$ 2,919,576	\$ 9,321,823	\$ 22,377,774		
58										
59										
60			TOTAL	\$ 905,966,083		\$ 31,810,066	\$ 460,534,101	\$ 445,431,983		
61			Retirement Work in Progress (2)				(570,182)	570,182		
62			Adjusted Total	\$ 905,966,083		\$ 31,810,066	\$ 459,963,919	\$ 446,002,165		
63			Notes							
64			1 City applicable FERC functions are included in the report.							
65			2 Retirement Work in Progress is included in the report.							
66										
67			less all travel, meals, business entertainment							
68										
69										

98.7% \$ 440,200,682

88.7% \$ 120,910

446,870,416

905,843,564

Investment Detail

(Investment To Be Recovered Through Interim Filing)
 CENTERPOINT ENERGY - HOUSTON DIVISION
 Twenty One Month Period Ended December 31, 2010

Line No.	NARUC Account No.	FERC Account No.	FERC Note: (see note tab)	Original Cost (e)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)	Standard Allocation (j)	Standard Amount (k)
1. INTANGIBLE PLANT									
1									
2	302	6010	Intangible Plant	\$ (0)	\$ -	\$ -	\$ -	(0)	(0)
3	303	6035	Miscellaneous Intangible Plant	74,414	8,441	1,724,246	(1,648,780)	(1,648,780)	(1,648,780)
4	303	6035	Miscellaneous Intangible Plant	44,065	8,819	63,975	(19,880)	(19,880)	(19,880)
5	303	6035	Miscellaneous Intangible Plant	-	-	-	-	-	-
6	303	6035	Miscellaneous Intangible Plant	-	-	-	-	-	-
7	303	6060	Software-SAP	-	-	-	-	-	-
8	303	6060	Software-SAP	60,773	(1,001,949)	1,321,668	(1,260,896)	(1,260,896)	(1,260,896)
9									
10				\$ 179,282	\$ (985,888)	\$ 3,109,888	\$ (2,929,555)		
11									
12									
13	374	6840	Land	\$ 3,584,317	\$ -	(271)	\$ 3,584,588		
14	374	6860	Land Rights	0	0	22,452	(22,452)		
15	375	6900	Structures & Improvements	(6,320)	(164)	36,603	(44,923)		
16	376	6940	Mains-Excluding Cast Iron	0	-	201,115	(201,115)		
17	376	6951	Mains-Steel	8,956,383	283,961	3,846,158	5,137,628		
18	376	6952	Mains-Plastic	9,961,927	283,877	7,964,635	2,020,193		
19	378	7000	Meters and Reg. Station Equipment-General	10,301	459	50,170	(38,027)		
20	378	7000	Meters and Reg. Station Equipment-General	22,680	1,659	11,762	11,118		
21	379	7010	Meters and Reg. Station Equipment-City Gate	372,358	11,022	508,280	(133,875)		
22	380	7022	Services-Steel	(3,163,582)	(110,152)	(1,168,436)	(2,014,795)		
23	380	7023	Services-Plastic	17,115,383	587,327	19,460,258	(2,361,435)		
24	381	7050	Meters-Domestic/Small	1,841,444	47,141	(2,183,633)	(4,025,077)		
25	381	7075	Meters-ERTS	(3,585,018)	(202,554)	(1,118,012)	(2,467,006)		
26	382	7080	Meter Initial Domestic-Small	4,851,768	173,208	4,028,331	823,437		
27	382	7090	Meter Initial Domestic-Large	2,256,317	106,273	1,561,233	708,560		
28	383	7120	Regulator-Domestic	290,754	13,888	(763,064)	(1,073,838)		
29	383	7120	Regulator-Domestic	-	-	-	-		
30	383	7130	Regulator-Industrial	(330,582)	(5,025)	(273,718)	(56,866)		
31	383	7130	Regulator-Industrial	-	-	-	-		
32	385	7150	Ind. Meters & Reg. Station Equipment	(24,675)	(843)	87,731	(122,406)		
33	386	7157	Other Property-Customer Premises	(10,573)	(246)	(7,925)	(2,648)		
34	387	7160	Other Equipment-CNG Equipment	31	1	145,664	(145,833)		
35									
36				\$ 42,125,103	\$ 1,208,782	\$ 32,428,282	\$ 9,771,457		
37									
38									
39	389	7180	Land	(0)	-	-	-	(0)	(0)
40	390	7200	Structures & Improvements	163,339	4,188	21,108	142,233		
41	390	7225	Leasehold Improvements	(3,153,063)	(3,153)	(3,151,374)	(1,889)		
42	391	7230	Office Furniture & Equipment-Miscellaneous	(18,985)	(848)	(17,856)	(1,029)		
43	391	7232	Office Furniture & Equipment-General	(1,458,544)	(72,827)	(1,408,446)	(48,098)		
44	381	7260	Computer Equipment-Miscellaneous	291,696	41,683	295,274	965		
45	392	7300	Autos	43,894	5,487	2,073	41,822		
46	392	7320	Trucks	147,114	18,369	965,960	(812,327)		
47	392	7340	Trailers	491,795	61,474	174,189	317,605		
48	393	7355	Stones Equipment	(2,397)	(154)	(2,845)	538		
49	394	7362	Tools/Work Equipment	(1,561,936)	(183,428)	(2,683,454)	731,518		
50	394	7364	Shop Equipment	(1,253)	(104)	(1,122)	(130)		
51	394	7368	Garage Equipment	(225,789)	(18,809)	(58,015)	(160,533)		
52	395	7370	Laboratory Equipment	(1,087)	(54)	2,138	(3,225)		
53	396	7380	Power Operated Equipment	(559,157)	(88,895)	(74,280)	(484,891)		
54	397	7390	Communication Equipment	(888,207)	(34,410)	(618,098)	(69,124)		
55	397	7420	General Communication Equipment-Meter Reading	3,910,451	220,940	1,051,192	2,859,259		
56	398	7450	Misc & Other Equipment	(785,689)	(53,073)	(733,795)	(61,904)		
57									
58				\$ (3,815,751)	\$ (64,697)	\$ (6,247,439)	\$ 2,450,586		
59									
60				\$ 36,488,633	\$ 159,387	\$ 28,280,744	\$ 9,292,488		
61									
62				\$ 39,488,633	\$ 159,387	\$ 28,620,797	\$ 8,982,434		
63									
64									
65									

Notes:
 1 Only applicable FERC functions are included in the report
 2 Retirement Work in Progress is included in the report

98.7% \$ 9,845,842

Investment Detail - Additions
CENTERPOINT ENERGY - HOUSTON DIVISION
Twelve Month Period Ended December 31, 2010

Line No.	NARUC No.	Note: (see note tab)	FERC Account No.	F.E.R.C. Account Titles (1)	Original Cost (4)	RRC Approved Depreciation Rate (7)	Annual Depreciation (9)	Accumulated Depreciation (h)	Net Plant (i)	Standard Allocation (j)	Standard Amount Annual Depreciation (k)
1. INTANGIBLE PLANT											
2	302		302-6010	Intangible Plant	\$ -	0.000%	\$ -	-	-	-	-
3	303		303-6035	Miscellaneous Intangible Plant	74,414	10.000%	7,441	-	-	-	-
4	303		303-6035	Miscellaneous Intangible Plant	44,095	20.000%	8,819	-	-	-	-
5	303		303-6035	Miscellaneous Intangible Plant	-	0.000%	-	-	-	-	-
6	303		303-6035	Miscellaneous Intangible Plant	-	0.000%	-	-	-	-	-
7	303		303-6060	Software-SAP	-	0.000%	-	-	-	-	-
8	303		303-6060	Software-SAP	60,773	0.000%	-	-	-	-	-
9					\$ 179,282		\$ 16,261	\$ -	\$ -		
10											
11											
12											
5. DISTRIBUTION PLANT											
13	374		374-6840	Land	\$ 3,584,817	0.000%	\$ -	0	-	-	-
14	374		374-6860	Land Rights	0	1.660%	-	-	-	-	-
15	375		375-6900	Structures & Improvements	(6,320)	2.590%	(164)	-	-	-	-
16	378		378-6940	Mains-Excluding Cast Iron	0	0.000%	-	-	-	-	-
17	378		378-6951	Mains-Steel	12,242,429	3.170%	388,085	-	-	-	-
18	378		378-6952	Mains-Plastic	10,503,557	2.950%	309,855	-	-	-	-
19	378		378-6980	Mess. and Reg. Station Equipment-General	207,376	4.460%	9,245	-	-	-	-
20	378		378-7000	Mess. and Reg. Station Equipment-General	22,880	7.250%	1,659	-	-	-	-
21	379		379-7010	Mess. and Reg. Station Equipment-City Gate	484,515	2.960%	14,342	-	-	-	-
22	380		380-7022	Services-Steel	344,468	3.460%	11,819	-	-	-	-
23	380		380-7023	Services-Plastic	17,818,762	3.490%	625,385	-	-	-	-
24	381		381-7050	Meters-Domestic/Small	5,960,036	2.560%	152,577	-	-	-	-
25	381		381-7075	Meters-ERTS	(3,485,228)	5.650%	(195,785)	-	-	-	-
26	382		382-7080	Meter Install Domestic-Small	4,851,832	3.670%	173,214	-	-	-	-
27	382		382-7080	Meter Install Domestic-Large	2,342,171	4.710%	110,318	-	-	-	-
28	383		383-7120	Regulator-Domestic	2,488,314	4.760%	118,846	-	-	-	-
29	383		383-7130	Regulator-Industrial	-	3.370%	-	-	-	-	-
30	383		383-7130	Regulator-Industrial	6,312	1.520%	96	-	-	-	-
31	385		385-7150	Ind. Mess. & Reg. Station Equipment	(24,675)	3.170%	(843)	-	-	-	-
32	385		385-7150	Ind. Mess. & Reg. Station Equipment	-	3.820%	-	-	-	-	-
33	386		386-7157	Other Property-Customer Premises	(1)	2.330%	(6)	-	-	-	-
34	387		387-7160	Other Equipment-CNG Equipment	31	4.420%	1	-	-	-	-
35				Subtotal	\$ 57,459,280		\$ 1,718,627	\$ -	\$ -		
36											
37											
6. GENERAL PLANT											
38	389		389-7160	Land	\$ -	0.000%	\$ -	-	-	-	-
39	390		390-7200	Structures & Improvements	163,339	2.570%	4,138	-	-	-	-
40	390		390-7225	Leasehold Improvements	512	0.100%	1	-	-	-	-
41	391		391-7230	Office Furniture & Equipment-Miscellaneous	(6)	5.000%	(6)	-	-	-	-
42	391		391-7232	Office Furniture & Equipment-Miscellaneous	7,355	5.000%	368	-	-	-	-
43	391		391-7260	Comptrol Equipment-Miscellaneous	291,896	14.290%	41,685	-	-	-	-
44	391		391-7260	Comptrol Equipment-Miscellaneous	80,584	12.500%	10,073	-	-	-	-
45	392		392-7300	Autos	1,586,981	12.500%	199,998	-	-	-	-
46	392		392-7320	Trucks	491,795	12.500%	61,474	-	-	-	-
47	392		392-7340	Trailers	(6)	6.670%	(6)	-	-	-	-
48	393		393-7355	Stores Equipment	819,432	8.330%	68,269	-	-	-	-
49	394		394-7362	Tools/Work Equipment	(6)	8.330%	(6)	-	-	-	-
50	394		394-7364	Shop Equipment	(174,116)	8.330%	(14,504)	-	-	-	-
51	394		394-7366	Garage Equipment	0	5.000%	0	-	-	-	-
52	395		395-7370	Laboratory Equipment	(311,723)	12.500%	(41,465)	-	-	-	-
53	396		396-7390	Power Operated Equipment	124,271	5.000%	6,214	-	-	-	-
54	397		397-7390	Communication Equipment	3,965,915	5.650%	225,204	-	-	-	-
55	397		397-7420	General Communication Equipment-Meter Reading	14,358	6.670%	958	-	-	-	-
56	398		398-7450	Misc. & Other Equipment	-	-	-	-	-	-	-
57				Subtotal	\$ 7,073,399		\$ 562,459	\$ -	\$ -		
58											
59											
60				TOTAL	\$ 64,711,962		\$ 2,297,347	\$ -	\$ -		
61				Retirement Work in Progress (2)	-	-	-	-	-	-	-
62				Adjusted Total	\$ 64,711,962	3.5500%	\$ 2,297,347	\$ -	\$ -	98.7%	\$ 2,267,461
63											
64	Note										
65	1			Only applicable FERC functions are included in the report							
66	2			Retirement Work in Progress is included in the report							
67											
68											
69				less all travel, meals, business entertainment	122,504	3.5500%	4,349	-	-	98.7%	\$ 4,292
70					64,589,458		2,282,998	-	-	98.7%	\$ 2,263,100

Infrastructure Detail - Additions and Retirements Summary
CenterPoint Energy - Houston Division
For the period of April 1, 2009 through December 31, 2010

2009 Additions	35,542,790.50
2010 Additions	36,815,582.21
2009 and 2010 Additions Subtotal	<u>72,358,372.72</u>
<u>Adjustments Reflected in GUD No. 9902</u>	
Normalization adjustment for 2007 retirement made in error	(3,259,253.00)
Construction Work in Progress cleared to Plant in Service in the 2nd quarter 2009	(4,897,969.49)
Differences resulting from allocation factor changes between GUD No. 9902 and current allocation factors	331,280.77
Intra Company and Inter Company Additions and Retirements not reflected in the Additions and Retirements for 2009 and 2010	179,532.92
Rounding Differences	(2.26)
2009 and 2010 Additions Total	<u>64,711,961.66</u>
2009 Retirements	(14,170,519.09)
2010 Retirements	(12,052,809.17)
2009 and 2010 Retirements Subtotal	<u>(26,223,328.26)</u>
Total Additions and Retirements (IRA-9 Ln. 62, Col e)	<u><u>38,488,633.40</u></u>

Investment Detail - Retirements
CENTERPOINT ENERGY - HOUSTON DIVISION
Twenty One Month Period Ended December 31, 2010

Line No.	NARUC Account No.	Notes: (see note tab)	FERC Account No.	F.E.R.C. Account Titles (1)	Original Cost (e)	(f)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)	Standard Allocation (j)	Standard Amount Annual Depreciation (k)
1. INTANGIBLE PLANT											
1	302		302-6010	Intangible Plant	\$ -	0.000%	\$ -	\$ -	\$ -	\$ -	\$ -
2	303		303-6035	Miscellaneous Intangible Plant	-	10.000%	-	-	-	-	-
3	303		303-6035	Miscellaneous Intangible Plant	-	20.000%	-	-	-	-	-
4	303		303-6035	Miscellaneous Intangible Plant	-	0.000%	-	-	-	-	-
5	303		303-6035	Miscellaneous Intangible Plant	-	0.000%	-	-	-	-	-
6	303		303-6035	Miscellaneous Intangible Plant	-	0.000%	-	-	-	-	-
7	303		303-6060	Software-SAP	-	0.000%	-	-	-	-	-
8	303		303-6060	Software-SAP	-	0.000%	-	-	-	-	-
9					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
10					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
11					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
12					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
13	374		374-6840	Land	-	0.000%	-	-	-	-	-
14	374		374-6880	Land Rights	(500)	1.690%	-	-	-	-	-
15	375		375-6900	Structures & Improvements	-	2.590%	-	-	-	-	-
16	376		376-6940	Mains-Excluding Cast Iron	-	0.000%	-	-	-	-	-
17	376		376-6951	Mains-Steel	(3,282,253)	3.170%	(104,047)	(104,047)	(104,047)	(104,047)	(104,047)
18	376		376-6952	Mains-Plastic	(541,631)	2.950%	(15,978)	(15,978)	(15,978)	(15,978)	(15,978)
19	378		378-6980	Meters and Reg. Station Equipment-General	(108,769)	4.460%	(6,865)	(6,865)	(6,865)	(6,865)	(6,865)
20	378		378-7000	Meters and Reg. Station Equipment-General	-	7.250%	-	-	-	-	-
21	378		378-7010	Meters and Reg. Station Equipment-City Gate	-	2.660%	-	-	-	-	-
22	380		380-7022	Services-Steel	(112,157)	3.460%	(3,320)	(3,320)	(3,320)	(3,320)	(3,320)
23	380		380-7023	Services-Plastic	(3,528,060)	3.490%	(803,379)	(803,379)	(803,379)	(803,379)	(803,379)
24	381		381-7050	Meters-Domestic/Small	(4,118,592)	2.500%	(105,436)	(105,436)	(105,436)	(105,436)	(105,436)
25	381		381-7075	Meters-ERTS	(119,732)	5.650%	(6,768)	(6,768)	(6,768)	(6,768)	(6,768)
26	382		382-7080	Meter Install Domestic-Small	(164)	3.570%	(6)	(6)	(6)	(6)	(6)
27	382		382-7090	Meter Install Domestic-Large	(85,854)	4.710%	(4,044)	(4,044)	(4,044)	(4,044)	(4,044)
28	383		383-7120	Regulator-Domestic	(2,195,561)	4.780%	(104,948)	(104,948)	(104,948)	(104,948)	(104,948)
29	383		383-7120	Regulator-Domestic	-	3.370%	-	-	-	-	-
30	383		383-7130	Regulator-Industrial	(336,895)	1.520%	(5,121)	(5,121)	(5,121)	(5,121)	(5,121)
31	383		383-7130	Regulator-Industrial	-	3.370%	-	-	-	-	-
32	385		385-7150	Ind. Meters & Reg. Station Equipment	-	3.820%	-	-	-	-	-
33	386		386-7157	Other Property-Customer Premises	(10,573)	2.330%	(246)	(246)	(246)	(246)	(246)
34	387		387-7160	Other Equipment-CNG Equipment	-	4.420%	-	-	-	-	-
35					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
36				Subtotal	(15,334,176)		(508,868)	(508,868)	(508,868)	(508,868)	(508,868)
37					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
38					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
39	389		389-7160	Land	-	0.000%	-	-	-	-	-
40	390		390-7200	Structures & Improvements	-	2.570%	-	-	-	-	-
41	390		390-7225	Leasehold Improvements	(3,153,576)	0.100%	(3,154)	(3,154)	(3,154)	(3,154)	(3,154)
42	391		391-7230	Office Furniture & Equipment-Miscellaneous	(18,985)	5.000%	(949)	(949)	(949)	(949)	(949)
43	391		391-7232	Office Furniture & Equipment-General	(1,463,899)	5.000%	(73,195)	(73,195)	(73,195)	(73,195)	(73,195)
44	391		391-7260	Computer Equipment-Miscellaneous	-	14.290%	-	-	-	-	-
45	392		392-7300	Autos	(36,890)	12.500%	(4,586)	(4,586)	(4,586)	(4,586)	(4,586)
46	392		392-7320	Trucks	(1,452,867)	12.500%	(181,808)	(181,808)	(181,808)	(181,808)	(181,808)
47	392		392-7340	Trailers	-	12.500%	-	-	-	-	-
48	393		393-7355	Stores Equipment	(2,307)	6.670%	(154)	(154)	(154)	(154)	(154)
49	394		394-7362	Tools/Work Equipment	(2,781,370)	8.330%	(231,898)	(231,898)	(231,898)	(231,898)	(231,898)
50	394		394-7364	Shop Equipment	(1,252)	8.330%	(104)	(104)	(104)	(104)	(104)
51	394		394-7366	Garage Equipment	(51,663)	8.330%	(4,305)	(4,305)	(4,305)	(4,305)	(4,305)
52	395		395-7370	Laboratory Equipment	(1,068)	5.000%	(54)	(54)	(54)	(54)	(54)
53	396		396-7380	Power Operated Equipment	(227,435)	12.500%	(28,429)	(28,429)	(28,429)	(28,429)	(28,429)
54	397		397-7390	Communication Equipment	(812,476)	5.000%	(40,624)	(40,624)	(40,624)	(40,624)	(40,624)
55	397		397-7420	General Communication Equipment-Meter Reading	(75,465)	5.650%	(4,264)	(4,264)	(4,264)	(4,264)	(4,264)
56	398		398-7450	Misc & Other Equipment	(810,056)	6.670%	(54,031)	(54,031)	(54,031)	(54,031)	(54,031)
57				Subtotal	(10,889,151)		(827,146)	(827,146)	(827,146)	(827,146)	(827,146)
58					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
59					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
60				TOTAL	(28,223,328)		(1,136,094)	(1,136,094)	(1,136,094)	(1,136,094)	(1,136,094)
61				Retirement Work in Progress (2)	-		-	-	-	-	-
62				Adjusted Total	(28,223,328)		(1,136,094)	(1,136,094)	(1,136,094)	(1,136,094)	(1,136,094)
63					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
64	Note										
65	1	Only applicable FERC functions are included in the report									

98.7% \$ (1,121,255)

**WEIGHTED AVERAGE COST OF CAPITAL
 CENTERPOINT ENERGY - HOUSTON DIVISION
 PER MOST RECENT RATE CASE - GUD DOCKET NO. 9902**

Per Last Rate Case GUD No. 9902			
Line No.	Percent Equity/Debt (a)	Cost (b)	Weighted Cost (c)
1	55.60%	10.5000%	5.8380%
2	0.0%	0.0000%	0.0000%
3	0.0%	0.0000%	0.0000%
4	44.40%	6.3345%	2.8125%
5			
6			
7			
8	100.0%		8.6505%

Rate of Return 8.65% allowed in GUD No. 9902

ALLOCATION OF INVESTMENT RECOVERY
 CENTERPOINT ENERGY - HOUSTON DIVISION

Allocation Factors Per Rate Case - GUD No. 9902

R-2080	0.855216	GUD No. 9902 Base Rate revenue allocator for residential service (See Exh. HD-1)
GSS-2080	0.059225	GUD No. 9902 Base Rate revenue allocator for general service-small service (See Exh. HD-1)
GSLV-611	0.085559	GUD No. 9902 Base Rate revenue allocator for general service-large service (See Exh. HD-1)

Total System: 1.000000

Allocation Factors Requested in this filing

R-2080	0.855216	GUD No. 9902 Base Rate revenue allocator for residential service (See Exh. HD-1)
GSS-2080	0.059225	GUD No. 9902 Base Rate revenue allocator for general service-small service (See Exh. HD-1)
GSLV-611	0.085559	GUD No. 9902 Base Rate revenue allocator for general service-large service (See Exh. HD-1)

Total System: 1.000000

New Investment Recovery Distribution

Requested Recovery Amount	\$	2,484,485 (IRA-3, Ln. 8, Col. d)	Customer Bills	Customer Charge
R-2080		2,124,772	10,831,946	\$ 0.20
GSS-2080		147,144	504,285	\$ 0.29
GSLV-611		212,570	38,164	\$ 5.57
Total System	\$	2,484,485	11,374,395 (WP IRA-3a Cust Count, Ln. 27, Col.p)	