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**BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA**

IN THE MATTER OF THE APPLICATION OF	)	
CENTERPOINT ENERGY RESOURCES CORP.,	)	CAUSE NO. PUD 202000028
D/B/A CENTERPOINT ENERGY OKLAHOMA	)	
GAS, FOR APPROVAL OF ITS PERFORMANCE	)	
BASED RATE CHANGE PLAN CALCULATIONS	)	ORDER NO. <u>713127</u>
FOR THE TWELVE MONTHS ENDED	)	
DECEMBER 31, 2019	)	

Susan Johnson  
 CSR  
 Exhibit 1  
 Date: 8-17-2021

HEARING: **June 25 and 26, 2020, in Courtroom B (virtual teleconference)**  
 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105  
*Before* Linda S. Foreman, Administrative Law Judge

APPEARANCES: **Curtis M. Long and J. Dillon Curran, Attorneys representing CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Oklahoma Gas**  
**Kyle Vazquez, Assistant General Counsel representing Public Utility Division, Oklahoma Corporation Commission**  
**Jared B. Haines and A. Chase Snodgrass, Assistant Attorneys General representing Office of Attorney General, State of Oklahoma**

**FINAL ORDER APPROVING JOINT STIPULATION AND SETTLEMENT AGREEMENT**

The Corporation Commission (“Commission”) of the State of Oklahoma being regularly in session and the undersigned Commissioners present and participating, there comes on for consideration and action the merits of the Application filed in this Cause and the subsequent Joint Stipulation and Settlement Agreement (“Stipulation”), which is attached hereto and incorporated herein as “Attachment A.”

**I. PROCEDURAL HISTORY**

On March 13, 2020, CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Oklahoma Gas (“CenterPoint Oklahoma” or the “Company”) initiated this Cause by filing its Application presenting the Company’s annual calculations under its Performance Based Rate Change Plan Tariff (the “PBRC Plan”). In its filing, the Company requested that the Commission (a) approve the calculations presented by the Company according to the requirements of the PBRC Plan for the twelve months ending December 31, 2019, and the Company’s proposed credit to customers; (b) approve additional customer credits for the return of Protected and Unprotected Excess Deferred Income Tax (“EDIT”) arising from the Tax Cuts and Jobs Act of 2017 (“TCJA”); and (c) approve Energy Efficiency (“EE”) adjustments to base rates arising from the EE Utility Incentive Adjustment and the EE True-up Adjustment, as provided by the PBRC Plan.

Also on March 13, 2020, CenterPoint Oklahoma filed supporting testimony of Cynthia L. Westcott, Burl M. Drews and John D. True.

Also on March 13, 2020, CenterPoint Oklahoma filed a Motion for Protective Order, Motion for Order Prescribing Notice, and a Motion for Order Prescribing Procedural Schedule (“Motions”), along with Notices of Hearing setting the Motion for Protective Order, Motion for Order Prescribing Notice and Motion for Order Prescribing Procedural Schedule for hearing on March 26, 2020.

On March 16, 2020, Jared B. Haines and A. Chase Snodgrass filed an Entry of Appearance on behalf of the Oklahoma Attorney General (“Attorney General”).

On March 26, 2020, the Objection to Attorney General’s Data Requests to CenterPoint Energy Oklahoma Gas AG-CP-3, AG-CP-4 and AG-CP5 was filed along with a Notice of Hearing setting the Objection for hearing on April 2, 2020.

Also on March 26, 2020, the Motion for Protective Order, Motion for Order Prescribing Notice and Motion for Order Prescribing Procedural Schedule were heard and recommended.

On April 1, 2020, the Attorney General’s Response to Objection to Attorney General’s Data Requests to CenterPoint Energy Oklahoma Gas AG-CP-3, AG-CP-4 and AG-CP-5 was filed.

On April 2, 2020, the Commission issued Order No. 710433, Order Granting Motion for Protective Order, Order No. 710434, Order Granting Motion for Order Prescribing Notice and Order No. 710435, Order Granting Motion for Order Prescribing Procedural Schedule.

Also on April 2, 2020, the Objection to Attorney General’s Data Requests to CenterPoint Energy Oklahoma Gas AG-CP-3, AG-CP-4 and AG-CP5 was heard. The Administrative Law Judge (“ALJ”) sustained Objections to Requests 3-9, 3-10, 4-2, 4-8, 4-9 and 5-1 and overruled Objection to 5-2 and recommended the information to be provided within 10 days.

On April 20, 2020, Notice of Transcript Completion was filed.

On May 18, 2020, the Public Utility Division (“PUD”) filed the Responsive Testimony of David Melvin, Linh N. Pham, Andrew Scribner (redacted and unredacted), and Isaac D. Stroup, along with PUD’s Revenue Requirement Exhibit.

Also on May 18, 2020, the Attorney General filed the Responsive Testimony of Todd F. Bohrmann.

On June 5, 2020, the parties filed the Stipulation resolving all disputed issues. All parties to the Cause signed the Stipulation.

On June 12, 2020, CenterPoint Oklahoma filed Testimony in Support of Stipulation of Burl M. Drews.

Also on June 12, 2020, PUD filed Testimony in Support of Joint Stipulation and Settlement Agreement of Isaac D. Stroup.

On June 18, 2020, CenterPoint Oklahoma filed an Affidavit of Service certifying that the individual notice to customers had been provided pursuant to Order No. 710434.

On June 23, 2020, CenterPoint Oklahoma filed its Exhibit List and the Testimony Summary of Burl M. Drews in Support of Stipulation.

Also on June 23, 2020, PUD filed the Summary Testimony of Isaac D. Stroup in support of the Stipulation, and its Witness and Exhibit List.

Also on June 23, 2020, the Attorney General filed his Exhibit List.

On June 25, 2020, as provided in Order No. 710435, a Hearing on the Merits (“Hearing”) was conducted by the ALJ by video teleconference. At the commencement of the Hearing, counsel for CenterPoint Oklahoma explained how notice to the public had been provided in compliance with the Commission’s Order No. 710434, referencing the Affidavit of Service filed June 18, 2020, certifying that the individual notice to customers had been provided as required. Counsel for PUD confirmed that because the Jim Thorpe Building was closed on the days of the Hearing, opportunities for members of the public to observe the Hearing conducted by video teleconference and to provide public comment were provided. Instructions for such participation, including opportunities for public comment, were provided by posting prominently on the Commission’s website, email notification via “govdelivery.com,” on the door of the Jim Thorpe Building and at the Commission kiosk just outside the main entrance to the building.

Counsel for CenterPoint Oklahoma announced that a unanimous settlement agreement had been reached. CenterPoint Oklahoma and PUD each presented a witness to sponsor and support the resulting Stipulation for review and approval by the Commission. Counsel for the Attorney General announced the Attorney General’s recommendation that the Commission should approve the Stipulation.

After those proceedings, the Hearing was continued to 10:00 a.m. on Friday, June 26, 2020, for public comment. At that time, the Hearing was re-convened by video conference and the record opened for public comment. Counsel for PUD reviewed the notice that had been given to individual customers by CenterPoint Oklahoma, as well as the additional instructions to the public provided by the Commission to observe the Hearing conducted by video teleconference and to provide public comment, or to inquire concerning the proceedings. Those instructions included providing written comment to PUD, and oral public comment via telephone link to the Hearing. Counsel stated that these instructions were provided by posting prominently on the Commission’s website, email notification via “govdelivery.com,” on the door of the Jim Thorpe Building and at the Commission kiosk just outside the main entrance to the building. He recommended that notice to the public and the opportunity for public comment was sufficient.

The ALJ provided opportunity for public comment on the record and no one requested to make public comment, nor was any public comment offered.

After providing the opportunity for public comment, the ALJ recommended approval of the Stipulation in all respects based on review of the testimony, the exhibits, and statements of counsel.

## II. THE STIPULATION AND SUMMARY OF THE EVIDENCE IN SUPPORT

At the Hearing, Burl M. Drews, Regulatory Manager for CenterPoint Energy Service Company, LLC, presented his pre-filed testimony on behalf of CenterPoint Oklahoma in support of the unanimous Stipulation. His testimony supported the Stipulation and recommended that the Commission should approve it in all respects. He described the terms of the Stipulation and the process by which it was agreed upon, and he explained why its terms are fair, just and reasonable, and in the public interest.

Mr. Drews described that on March 13, 2020, CenterPoint Oklahoma filed its Application and its supporting Direct Testimony, presenting the Company's annual calculations pursuant to its PBRC Plan. In its filing, the Company requested that the Commission (a) approve the calculations presented by the Company according to the requirements of the PBRC Plan for the twelve months ending December 31, 2019, and the Company's proposed credit in the aggregate amount of \$1,972,761 to be returned to customers over a twelve-month period; (b) approve additional customer credits to be refunded in April 2020 in the aggregate amount of \$471,062 for the return of Protected and Unprotected EDIT arising from the TCJA; and (c) approve EE adjustments to base rates arising from the EE Utility Incentive Adjustment and the EE True-up Adjustment, as provided by the PBRC Plan.

Mr. Drews further described that in response to the Company's Application and direct testimony, PUD and Attorney General conducted a rigorous review of the Company's Application and direct testimony and filed responsive testimony on May 18, 2020. PUD conducted multiple audit conferences that included discussions with Company personnel and document reviews. Combined, PUD and the Attorney General issued and reviewed over 135 data requests, not including sub-parts. PUD reviewed dozens of components of the cost of service and the Attorney General performed extensive discovery regarding the Company's Application, direct testimony, and exhibits. This process produced a robust evidentiary record.

Mr. Drews next described the Stipulation. The signatories are CenterPoint Oklahoma, PUD, and the Attorney General (collectively "the Stipulating Parties"). They comprise all parties in this Cause resulting in a unanimous Stipulation. He listed the major provisions of the Stipulation as follows:

- 1) The Company will refund to customers an aggregate amount of \$2.46 million (\$2,460,000) over a twelve-month period following the final order approving the Stipulation. The \$2.46 million refund will be credited to the customer classes and individual customers in the manner specified in the PBRC Plan. At the Hearing, Mr. Drews supplemented his filed testimony to include the customer impact resulting from the credits required by this provision of the Stipulation. The impact on Residential customers will be, on average, a credit of \$1.64 per month for twelve months, subject to true-up. He clarified that this credit is in addition to the credit arising from return of EDIT set out in Paragraph 3 of the Stipulation.
- 2) Legal settlement expenses occurring in the 2019 Test-Year in the aggregate amount of \$215,500 will be amortized over three years in the 2019, 2020, and 2021 test-years in the annual amounts of \$71,833 each. The 2019 Test-Year amortized amount of \$71,833

requires no adjustment to the aggregate refund amount of \$2.46 million. The unamortized balance shall not be included in rate base and shall not accrue interest or a return.

- 3) The Commission should approve as compliant with Order No. 684379 (issued in Cause No. PUD 201800029) Protected and Unprotected EDIT credits and 2019 True-Ups in the aggregate amount of \$471,062. The credit amounts by rate class are as follows:

- RS-1 \$341,372 or \$3.90 per customer
- GS-1 \$74,651 or \$8.00 per customer
- CS-1 & CS-NGV \$40,204 or \$30.90 per customer
- LCS-1 \$14,835 or \$645.02 per customer

These credits were refunded by the Company in April 2020, while this Cause was pending, and any over-refunded or under-refunded amounts shall be true-up in April 2021.

- 4) CenterPoint Oklahoma shall make adjustments to its base rates for the EE Utility Incentive Adjustment and the EE True-up Adjustment according to Sections 5.5.3 and 5.5.4 of the PBRC Plan, in the following amounts:

- RS-1 (\$0.0085) per Ccf
- GS-1 (\$0.0180) per Ccf
- CS-1 (\$0.0021) per Ccf Sales Service
- CS-1 (\$0.0196) per MMBtu Transportation Service
- LCS-1 \$0.5487 per MMBtu

These EE adjustments do not apply to the CS-NGV rate class nor LCS-1 sales customers because the Company offers no EE programs applicable to those customers.

- 5) The Stipulating Parties agree to meet and confer with respect to ideas and concepts for possible revisions to the PBRC Plan to improve its operation and efficiency. CenterPoint Oklahoma will provide a written proposal to PUD and to the Attorney General no later than September 15, 2020. PUD and the Attorney General may each provide a written proposal to the other parties no later than October 1, 2020. The Stipulating Parties agree to hold an initial conference to discuss the proposals so exchanged no later than October 15, 2020. Additional conferences thereafter shall be held as the Stipulating Parties may agree.

Mr. Drews next explained that the Stipulation resolves all outstanding issues in this Cause, and that the Stipulating Parties agree that the Stipulation should be viewed as indivisible and approved without modification. The Stipulation is the result of robust negotiation by all of the Stipulating Parties who vigorously represented their interests and positions. As such, if the Stipulation is modified by the Commission, any adversely affected party may withdraw from the Stipulation and is released of their obligation to support the Stipulation.

Mr. Drews explained the settlement process that led to the Stipulation. According to Mr. Drews, the Stipulation is the result of forceful negotiation. Each of the Stipulating Parties strongly represented their interests and positions. The Stipulation is the result of give and take and compromise among the parties. The resulting PBRC Plan refund is greater than the amount originally proposed by the Company, but within the range of positions recommended in the various testimony filed in this Cause by the parties.

In Mr. Drews' opinion, approval of the Stipulation is in the public interest. The Stipulation results in greater certainty, less litigation expense, and the Company's customers receiving their bill credits sooner than without the Stipulation. As a result, the Stipulation produces outcomes that are fair, just and reasonable, and in the public interest.

Next, Isaac D. Stroup testified on behalf of PUD in support of the Stipulation. Mr. Stroup is employed by PUD as a Senior Regulatory Analyst. His testimony recites that on March 13, 2020, CenterPoint Oklahoma filed its Application for approval of its PBRC Plan calculations for the twelve months ended December 31, 2019. On May 18, 2020, the Oklahoma Attorney General and PUD filed Responsive Testimony. Settlement conference meetings were held on May 27, May 29, and June 3, 2020. On June 5, 2020, the Stipulation was filed with the Commission. On June 12, 2020, CenterPoint and PUD each filed Testimony in support of the Stipulation.

In his Settlement Testimony, Mr. Stroup testified that all parties were in attendance and participated in robust and thorough settlement negotiations. The resulting Stipulation is unanimous and contains input from all parties.

Mr. Stroup also testified that PUD is supportive of the Stipulation and its five main provisions, which are:

1. A refund in the amount of \$2,460,000 returned to ratepayers using the method prescribed in the PBRC tariff; this refund amount is approximately \$487,000 larger than originally proposed by the Company in its filing on March 13, 2020;
2. Three-year amortization of legal settlements in the amount of \$215,500;
3. Explanation of EDIT credits;
4. Adjustments to update Energy Efficiency rates; and
5. All parties agree to meet and confer with respect to ideas and concepts for possible revisions to the PBRC Plan to improve its operation and efficiency.

Finally, Mr. Stroup testified that PUD believes this Agreement is the result of robust and thorough settlement negotiations, containing input and compromise from all parties. PUD believes this Agreement balances the interests of the Company and the ratepayers, and that it should be approved by the Commission.

The Attorney General signed the Stipulation and was in agreement with the Stipulation.

### III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

THE COMMISSION FINDS that it has jurisdiction in this Cause pursuant to Article IX, §18 of the Oklahoma Constitution, 17 O.S. § 151 *et seq.*

THE COMMISSION FURTHER FINDS that notice of the Hearing in this Cause has been given as required by law, the Commission rules and the provisions of Order No. 710434 issued in this Cause on April 2, 2020.

THE COMMISSION FURTHER FINDS that individual notice to customers was accomplished in compliance with Order No. 710434,

THE COMMISSION FURTHER FINDS that the Stipulating Parties have executed and submitted to the Commission a unanimous Stipulation, filed with the Commission on June 5, 2020, attached hereto as Attachment “A” and is incorporated by this reference.

THE COMMISSION FURTHER FINDS that the Stipulation should be approved in all respects. In approving the Stipulation, the Commission accepts that it is a settlement based upon the facts and circumstances as presented in this Cause, and not binding in future proceedings before the Commission.

THE COMMISSION FURTHER FINDS that all parties to this Cause have signed the Stipulation and support its adoption and approval by the Commission.

THE COMMISSION FURTHER FINDS that the Stipulation is in the public interest and the provisions of the Stipulation are fair, just, and reasonable.

**ORDER**

THE COMMISSION THEREFORE ORDERS that the Stipulation executed by the parties to this proceeding and filed in this Cause on June 5, 2020, and attached hereto as Attachment “A”, is hereby approved in accordance with the findings set forth above.

THIS ORDER SHALL BE EFFECTIVE immediately.

OKLAHOMA CORPORATION COMMISSION

\_\_\_\_\_  
J. TODD HIETT, Chairman

\_\_\_\_\_  
BOB ANTHONY, Vice Chairman

\_\_\_\_\_  
DANA L. MURPHY, Commissioner

**CERTIFICATION**

DONE AND PERFORMED by the Commissioners participating in the making of this order, as shown by their signatures above, this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

[seal]

\_\_\_\_\_  
PEGGY MITCHELL, Secretary

Final Order

CORPORATION COMMISSION OF OKLAHOMA

/s/ J. TODD HIETT

\_\_\_\_\_  
J. TODD HIETT, CHAIRMAN

/s/ BOB ANTHONY

\_\_\_\_\_  
BOB ANTHONY, VICE CHAIRMAN



/s/ DANA L. MURPHY

\_\_\_\_\_  
DANA L. MURPHY, COMMISSIONER

**CERTIFICATION**

DONE AND PERFORMED by the Commissioners participating in the making of this Order, as shown by their signatures above, this 14th day of July, 2020.

BY ORDER OF THE COMMISSION:

/s/ PEGGY MITCHELL

\_\_\_\_\_  
PEGGY MITCHELL, Secretary of the Commission

Attachment "A"

BEFORE THE CORPORATION COMMISSION OF STATE OF OKLAHOMA

IN THE MATTER OF THE APPLICATION OF )  
CENTERPOINT ENERGY RESOURCES CORP., )  
D/B/A CENTERPOINT ENERGY OKLAHOMA )  
GAS, FOR APPROVAL OF ITS PERFORMANCE )  
BASED RATE CHANGE PLAN CALCULATIONS )  
FOR THE TWELVE MONTHS ENDED )  
DECEMBER 31, 2019 )

CAUSE NO. PUD 20200028

**FILED**  
JUN 05 2020

COURT CLERK'S OFFICE - OKC  
CORPORATION COMMISSION  
OF OKLAHOMA

**JOINT STIPULATION  
AND SETTLEMENT AGREEMENT**

CenterPoint Energy Resources Corp, d/b/a CenterPoint Energy Oklahoma Gas ("CenterPoint Oklahoma" or the "Company"), the Public Utility Division ("PUD") of the Oklahoma Corporation Commission ("Commission"), and the Attorney General of the State of Oklahoma ("Attorney General") (collectively, the "Stipulating Parties"), present this Joint Stipulation and Settlement Agreement (the "Agreement" or "Joint Stipulation") for Commission review and approval as their compromise and settlement of all of the issues raised in this proceeding. The Stipulating Parties represent to the Commission that this Joint Stipulation is a fair, just and reasonable settlement of these issues, that the terms and conditions of the Joint Stipulation are in the public interest, and the Stipulating Parties urge the Commission to issue an Order in this Cause adopting and approving this Joint Stipulation.

On March 13, 2020, CenterPoint Oklahoma filed its Application and its supporting Direct Testimony, presenting the Company's annual calculations under its Performance Based Rate Change Plan Tariff (the "PBRC Plan"). In its filing, the Company requested that the Commission (a) approve the calculations presented by the Company according to the requirements of the PBRC Plan for the twelve months ending December 31, 2019, and the Company's proposed credit to customers; (b) approve additional customer credits for the return of Protected and Unprotected Excess Deferred Income Tax ("EDIT") arising from the Tax Cuts and Jobs Act of 2017 ("TCJA"); and (3) approve Energy Efficiency ("EE") adjustments to base rates arising from the EE Utility Incentive Adjustment and the EE True-up Adjustment, as provided by the PBRC Plan.

It is hereby stipulated and agreed by and between the Stipulating Parties as follows:

1. With respect to the twelve months ended December 31, 2019, CenterPoint Oklahoma shall provide credits to customers under Section 5.3.2(b) of the PBRC Plan, in the aggregate amount of \$2,460,000. This aggregate amount shall be allocated to customer classes and distributed to individual customers according to Sections 5.3.5 and 5.3.6 of the PBRC Plan. The corresponding rate class credits and resulting base rate adjustments are contained in Attachment 1 to this Joint Stipulation.

2. Legal settlement expense occurring in Test Year 2019, in the aggregate amount of \$215,500 shall be allowed, amortized in equal amounts of \$71,833 in Test Years 2019, 2020 and 2021, respectively. The amortized amount of \$71,833 for Test Year 2019 requires no further

*Joint Stipulation and Settlement Agreement*

*Cause No. PUD 20200028*

adjustment to the aggregate credit amount set out in Paragraph 1. No unamortized amounts shall be included in rate base as a regulatory asset or otherwise, and no such amounts shall accrue interest or a return for ratemaking purposes.

3. The Commission should approve as compliant with Order No. 684379 (issued in Cause No. PUD 201800029) Protected and Unprotected EDIT credits and 2019 True-Ups in the aggregate amount of \$471,062. The credit amounts by rate class are as follows:

- RS-1 \$341,372 or \$3.90 per customer
- GS-1 \$74,651 or \$8.00 per customer
- CS-1 & CS-NGV \$40,204 or \$30.90 per customer
- LCS-1 \$14,835 or \$645.02 per customer

These credits were refunded by the Company in April 2020, while this Cause was pending, and any under-refunded or over-refunded amounts shall be trued-up in April 2021.

4. CenterPoint Oklahoma shall make adjustments to its base rates for the EE Utility Incentive Adjustment and the EE True-up Adjustment according to Sections 5.5.3 and 5.5.4 of the PBRC Plan, in the following amounts:

- RS-1 (\$0.0085) per Ccf
- GS-1 (\$0.0180) per Ccf
- CS-1 (\$0.0021) per Ccf Sales Service
- CS-1 (\$0.0196) per MMBtu Transportation Service
- LCS-1 \$0.5487 per MMBtu

These EE adjustments listed above will not apply to the CS-NGV rate class nor LCS-1 sales customers as the Company offers no EE programs applicable to those customers.

5. The Stipulating Parties agree to meet and confer with respect to ideas and concepts for possible revisions to the PBRC Plan to improve its operation and efficiency. CenterPoint Oklahoma will provide a written proposal to PUD and to the Attorney General no later than September 15, 2020. PUD and the Attorney General may each provide a written proposal to the other parties no later than October 1, 2020. The Stipulating Parties agree to hold an initial conference to discuss the proposals so exchanged no later than October 15, 2020. Additional conferences thereafter shall be held as the Stipulating Parties may agree. These conferences and all related communications shall be deemed confidential settlement discussions, and the Stipulating Parties agree that to encourage the free exchange of ideas and robust discussion, all oral and written comments, proposals, and discussions and all documents and correspondence (whether physical or electronic) exchanged in connection with the settlement process contemplated by this paragraph shall be deemed confidential settlement material and not subject to public disclosure, except as the Stipulating Parties shall otherwise agree in writing. The Stipulating Parties further agree to cooperate to propose to the Commission any protective order that may be appropriate for protecting the confidential settlement material from public disclosure.

*Joint Stipulation and Settlement Agreement*  
*Cause No. PUD 202000028*

6. This Agreement is made to resolve all issues presented in this Cause and upon the explicit understanding that it constitutes a negotiated settlement in the public interest. Nothing herein shall constitute an admission of any claim, defense, rule or interpretation of law, allegation of fact, principle or method of ratemaking or cost-of-service determination or rate design, or terms or conditions of service, or the application of any rule or interpretation of law, that may underlie, or be perceived to underlie, this Agreement.

7. This Agreement is expressly contingent upon its approval by the Commission without modification. The various provisions of the Agreement are interdependent and not severable. The Stipulating Parties will cooperate fully in seeking acceptance and approval by the Commission of this Agreement and will upon approval will abide by its terms with respect to matters specifically agreed to in writing to be done or to occur in the future.

8. Except as to matters specifically agreed to in writing to be done or to occur in the future, none of the Stipulating Parties shall be precluded from taking any position on the merits of any issue in any subsequent proceeding in any forum. The Stipulating Parties agree and represent that the provisions of this Joint Stipulation are intended to relate only to the specific matters referred to herein, and by agreeing to this settlement, none of the Stipulating Parties waives any claim or right which it may otherwise have with respect to any matters not expressly provided for herein. In addition, none of the Stipulating Parties shall be deemed to have approved or acquiesced in any ratemaking principle, valuation method, cost of service determination, depreciation principle, or cost allocation method underlying or allegedly underlying any of the information submitted by any party to this Cause except as specifically provided in this Agreement. Nothing contained herein shall constitute an admission by any of the Stipulating Parties that any allegation or contention in this proceeding is true or valid or shall constitute a determination by the Commission as to the merits of any allegations or contentions made in this proceeding.

9. In the event the Commission does not accept, adopt, and approve this Agreement in its entirety and without modification, the Stipulating Parties agree that this Agreement shall be void and of no effect. In that event, the Stipulating Parties agree as follows: (a) none of the Stipulating Parties shall be bound by any of the provisions or agreements herein contained; (b) the Stipulating Parties shall be deemed to have reserved all their respective rights and remedies in this proceeding; and (c) none of the Stipulating Parties hereto shall introduce this Agreement or any writings, discussions, negotiations, or other communications of any type related to this Agreement in any proceeding.

10. Each of the undersigned affirmatively represents to the Commission that the execution of this Agreement constitutes a resolution of issues raised in this proceeding; that no promise, inducement or agreement not herein expressed has been made to any Stipulating Party; that this Agreement constitutes the entire agreement between and among the Stipulating Parties; and each of the undersigned affirmatively represents that he or she has full authority to execute this Agreement on behalf of the entity represented.

11. The Stipulating Parties agree that the provisions of this Agreement are the result of negotiations based upon the unique circumstances currently represented by the Company and

*Joint Stipulation and Settlement Agreement*  
Cause No. PUD 202000028

that the processing of this Cause sets no precedent for any future Causes that the Company or others may file with this Commission, except as expressly provided in this Agreement. The Stipulating Parties further agree and represent that this Agreement shall not constitute nor be cited as precedent nor deemed an admission by any Stipulating Party in any other proceeding except as necessary to enforce its terms before the Commission or any state court of competent jurisdiction. The Commission's decision, if it enters an order consistent with this Agreement, will be binding as to the matters decided and the issues described in this Agreement, but the decision will not be binding with respect to similar issues that might arise in other proceedings not expressly covered by this Agreement.

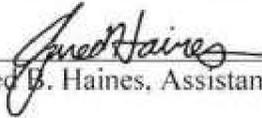
DATED this SM day of June, 2020.

CENTERPOINT ENERGY RESOURCES CORP. d/b/a  
CENTERPOINT ENERGY OKLAHOMA GAS



\_\_\_\_\_  
Curtis M. Long, Attorney

MIKE HUNTER  
OKLAHOMA ATTORNEY GENERAL



\_\_\_\_\_  
Jared B. Haines, Assistant Attorney General

PUBLIC UTILITY DIVISION  
OKLAHOMA CORPORATION COMMISSION



\_\_\_\_\_  
Geoffrey Rush, Energy Manager

Joint Stipulation and Settlement Agreement  
Cause No. PUD 202000028

**CERTIFICATE OF SERVICE**

I hereby certify that on the <sup>5<sup>th</sup></sup> day of June, 2020, a full, true, and correct copy of the above and foregoing instrument was served on the following persons by **ELECTRONIC MAIL** to:

Brandy L. Wreath  
Director of the Public Utility Division  
OKLAHOMA CORPORATION COMMISSION  
Jim Thorpe Building  
2101 North Lincoln Boulevard  
Oklahoma City, Oklahoma 73105  
[PUDEnergy@occ.ok.gov](mailto:PUDEnergy@occ.ok.gov)

Kyle Vazquez  
Assistant General Counsel  
OKLAHOMA CORPORATION COMMISSION  
Jim Thorpe Building  
2101 North Lincoln Boulevard  
Oklahoma City, Oklahoma 73105  
[Kyle.Vazquez@occ.ok.gov](mailto:Kyle.Vazquez@occ.ok.gov)

Jared B. Haines  
Chase Snodgrass  
OFFICE OF THE OKLAHOMA ATTORNEY GENERAL  
313 NE 21<sup>st</sup> Street  
Oklahoma City, OK 73105-4894  
[Jared.Haines@oag.ok.gov](mailto:Jared.Haines@oag.ok.gov)  
[Chase.Snodgrass@oag.ok.gov](mailto:Chase.Snodgrass@oag.ok.gov)

  
Curtis M. Long

CenterPoint Energy  
Oklahoma Division  
Calculation of PBRC Plan - Credits for Tariff  
Test Year Ended December 31, 2019

Line No	[A] Description	[B]	[C]	[D]	[E]	[F] = [B] + [C] + [D] + [E]
		Residential RS-1	General Service GS-1	Commercial Service CS-1, CS-NGV, & TSO	Large Commercial Service LCS-1	Total
1	Change based on 2019 Test Year	\$ (1,722,000)	\$ (344,400)	\$ (319,800)	\$ (73,800)	\$ (2,460,000) ✓
2	50% in Monthly Customer Charge (Line 1 * 50%)	\$ (861,000)	\$ (172,200)	\$ (159,900)	\$ (36,900)	\$ (1,230,000)
3	# of Bills	1,049,747	111,903	15,615	276	
4	Increase per bill (Line 2 / Line 3)	\$ (0.8200)	\$ (1.5400)	\$ (10.2400)	\$ (133.7000)	
5	Effective Increase - Customer Charge (Line 3 * Line 4)	\$ (860,793)	\$ (172,321)	\$ (158,898)	\$ (36,901)	\$ (1,229,922)
6	Remaining Customer Charge Amount to be Collected through 1st Block (Line 2 - Line 5)	\$ (207)	\$ 131	\$ (2)	\$ 1	\$ (78)
7	50% in Commodity Rate of 1st Block (Line 1 - Line 2 + Line 6)	\$ (861,207)	\$ (172,069)	\$ (159,902)	\$ (36,899)	\$ (1,230,078)
8	Applicable Ccf in 1st Block	8,750,180	4,658,056	428,625 <sup>(1)</sup>	4,713,349 <sup>(2)</sup>	
9	Increase per Ccf in 1st Block (Line 7 / Line 8)	\$ (0.0984)	\$ (0.0369)	\$ (0.3722) <sup>(3)</sup>	\$ (0.0078)	
10	Effective Increase - 1st Block (Line 8 x Line 9)	\$ (861,018)	\$ (171,682)	\$ (159,906)	\$ (36,794)	\$ (1,229,570)
11	Total Rate Increase Proof (Line 5 + Line 10)	\$ (1,721,811)	\$ (344,213)	\$ (319,804)	\$ (73,655)	\$ (2,459,492)
12	Excess(Deficient) Revenue (Line 11 - Line 1)	\$ 189	\$ 187	\$ (4)	\$ 135	\$ 508

<sup>(1)</sup> LCS-1 volumes are total MMBtu  
<sup>(2)</sup> CS-1 and CS-NGV volumetric charge for customers taking transportation service is billed in MMBtu. The volumetric increase for these customers is \$-3.5583 per MMBtu.

		Commercial Service CS-1 and CS-NGV
Sales rate increase	<sup>(3)</sup> \$	(0.3722)
mcf rate	\$	(3.7220)
Btu factor		1.046
MMBtu rate increase	\$	(3.5583)