



CenterPoint Energy  
1111 Louisiana Street  
Houston, TX 77002-5231  
P.O. Box 2628  
Houston, TX 77252-2628

March 28, 2013

Mayor and City Council  
City of Buda  
Buda, Texas

Re: CenterPoint Energy 2013 Annual GRIP Adjustment for the South Texas Division

Dear Madam or Sir:

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas ("CenterPoint" or the "Company"), files the enclosed tariffs and supporting documents, including a CD of the electronic files, with the City of Buda ("City") consistent with Section 7.7101 of the Railroad Commission of Texas ("Commission") Gas Services Division Rules and Section 104.301 of the Texas Utilities Code to establish the annual gas reliability infrastructure program ("GRIP") interim rate adjustment ("IRA") for the Company's South Texas Division, which includes the City. The proposed IRA will affect rates for natural gas service customers located in the City. Simultaneously with this filing, CenterPoint makes the same GRIP filing with the Commission for customers located in the environs and cities of the South Texas Division that have ceded original jurisdiction to the Commission.

CenterPoint consistently supplies its customers in the South Texas Division with safe and dependable natural gas service by prudently investing in additions and upgrades to its delivery system. The Company will continue to prudently invest in its infrastructure in order to improve its natural gas service to its customers and to anticipate and meet their needs under all operating conditions. The GRIP program enables a gas utility such as CenterPoint to begin recovery of its incremental capital investment in the system, subject to a prudence review in its next rate case. Consistent with Section 104.301 and Commission precedent, the City's review of this GRIP filing is limited to a ministerial review to ensure compliance with the GRIP statute.

Pursuant to applicable law, the proposed IRA will become effective on May 27, 2013, unless the City suspends that date for a period of not longer than forty-five (45) days. The approved IRA will be applied to the monthly customer charge and will remain in effect until superseded by the earlier of (1) the effective date of the Company's next annual GRIP adjustment for the South Texas Division; or (2) the issuance of a final order in a rate setting proceeding for the South Texas Division.

As detailed in the attached schedules and supporting material, the Company invested \$22,177,976 in its South Texas Division in calendar year 2012, and the applicable IRA is:

<b>Rate Schedules</b>	<b>Current Base Charge</b>	<b>2013 Interim Adjustment</b>	<b>Adjusted Charge</b>
R-2085-GRIP 2013 Residential	\$15.28 per customer per month	\$1.61 per customer per month	\$16.89 per customer per month
GSS-2085-GRIP 2013 General Service Small	\$22.67 per customer per month	\$3.26 per customer per month	\$25.93 per customer per month
GSLV-616-GRIP 2013 General Service Large Volume	\$116.34 per customer per month	\$19.21 per customer per month	\$135.55 per customer per month

Along with and in support of the IRA, CenterPoint also includes the following:

- (a) An earnings monitoring report showing the Company's earnings for the South Texas Division during the 2012 calendar year (under the "Earnings Report" section of the enclosed filing).
- (b) An Interim Cost Recovery and Rate Adjustment Report containing accounting schedules and project reports for the GRIP Adjustment Period including a description of (i) the projects undertaken during the GRIP Adjustment Period (ii) the investment to provide utility service in the South Texas Division, which were both completed and placed in service during the GRIP Adjustment Period, (iii) the Company's prior utility investments in the South Texas Division that were either retired or abandoned during the GRIP Adjustment Period, and (iv) the cost, need and customers benefited by those investments and retirements (under the "Investment and Retirement Project Report" section of the enclosed filing).
- (c) The Company's calculation of the GRIP Adjustment amount to go into effect on the later of the Planned Effective Date or the end of any suspension period imposed (under the "Initial Adjustment Report" section of the enclosed filing).
- (d) Affidavits by Mary Kirk, Glenn Markwardt and Steven Greenley (under the "Affidavits" section of the enclosed filing).

- Ms. Kirk's affidavit verifies (i) that the South Texas Division's books and records are kept in accordance with the rules of the Commission and (ii) that the reports enclosed accurately reflect the South Texas Division's books and records related to the information in those reports.
- Mr. Markwardt's affidavit verifies the notice of the GRIP filing through customer bill inserts.
- Mr. Greenley's affidavit concerns the reimbursement of relocation expenses.

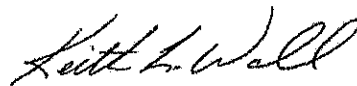
In addition, the source documentation and workpapers supporting the data and calculations contained in the foregoing reports is maintained in CenterPoint's electronic databases which are available for review. To schedule an opportunity to review the electronic databases or any hard copy project files related to the new investment or retirements, please contact me at (713) 207-5946.

Notice of this proceeding will be provided to affected customers in the South Texas Division by bill insert or by separate mailing within 45 days after the date of this filing in accordance with the applicable law.

Please accept for filing the above mentioned tariffs, filing package and enclosures and return the enclosed copy of this letter with your file mark thereon to acknowledge such filings for our records.

Please do not hesitate to contact us with any questions you may have regarding this filing.

Sincerely,



Keith L. Wall  
Director of Regulatory Affairs

Attachments

cc: Mr. Steven Greenley  
Mr. George Hepburn  
Mr. Paul Lock  
Mr. Dane McKaughan

City of Buda  
March 28, 2013  
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DELIVERED TO:

\_\_\_\_\_, \_\_\_\_\_ of  
NAME OFFICE (Mayor, City Secretary, etc.)

the City of Buda on this \_\_\_\_ day of March 2013

\_\_\_\_\_  
SIGNATURE