



**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **September 29, 2004**

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**CENTERPOINT ENERGY, INC.**

(Exact name of registrant as specified in its charter)

**Texas**  
(State or other jurisdiction  
of incorporation)

**1-31447**  
(Commission File Number)

**74-0694415**  
(IRS Employer  
Identification No.)

**1111 Louisiana  
Houston, Texas**  
(Address of principal executive offices)

**77002**  
(Zip Code)

Registrant's telephone number, including area code: **(713) 207-1111**

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**TEXAS GENCO HOLDINGS, INC.**

(Exact name of registrant as specified in its charter)

**Texas**  
(State or other jurisdiction  
of incorporation)

**1-31449**  
(Commission File Number)

**76-0695920**  
(IRS Employer  
Identification No.)

**1111 Louisiana  
Houston, Texas**  
(Address of principal executive offices)

**77002**  
(Zip Code)

Registrant's telephone number, including area code: **(713) 207-1111**

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# CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC

(Exact name of registrant as specified in its charter)

**Texas**  
(State or other jurisdiction  
of incorporation)

**1-3187**  
(Commission File Number)

**22-3865106**  
(IRS Employer  
Identification No.)

**1111 Louisiana  
Houston, Texas**  
(Address of principal executive offices)

**77002**  
(Zip Code)

Registrants' telephone number, including area code: **(713) 207-1111**

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# CENTERPOINT ENERGY RESOURCES CORP.

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**1-13265**  
(Commission File Number)

**76-0511406**  
(IRS Employer  
Identification No.)

**1111 Louisiana  
Houston, Texas**  
(Address of principal executive offices)

**77002**  
(Zip Code)

Registrant's telephone number, including area code: **(713) 207-1111**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### **Item 7.01 Regulation FD Disclosure.**

A copy of the slide presentation that CenterPoint Energy, Inc. (“CenterPoint Energy”) expects will be presented to various members of the financial and investment community from time to time is attached to this report as Exhibit 99.1.

The slide presentation is being furnished, not filed, pursuant to Regulation FD. Accordingly, the slide presentation will not be incorporated by reference into any registration statement filed by CenterPoint Energy, Texas Genco Holdings, Inc. (“Texas Genco”), CenterPoint Energy Houston Electric, LLC (“CenterPoint Houston”) or CenterPoint Energy Resources Corp. (“CERC”) under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of the slide presentation is not intended to, and does not, constitute a determination or admission by CenterPoint Energy, Texas Genco, CenterPoint Houston or CERC that the information in the slide presentation is material or complete, or that investors should consider this information before making an investment decision with respect to any security of CenterPoint Energy, Texas Genco, CenterPoint Houston, CERC or any of their affiliates.

### **Item 9.01 Financial Statements and Exhibits.**

The exhibit listed below is furnished pursuant to Item 7.01 of this Form 8-K.

(c) Exhibits.

99.1 CenterPoint Energy, Inc. slide presentation

### **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION**

Some of the statements in the exhibit attached to this report are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those expressed or implied by these statements. You can generally identify our forward-looking statements by the words “potential”, “will”, “intend”, “expect” or other similar words. We have based our forward-looking statements on our management’s beliefs and assumptions based on information available to our management at the time the statements are made. We caution you that assumptions, beliefs, expectations, intentions and projections about future events may and often do vary materially from actual results.

Changes in federal, state and local regulations affecting CenterPoint Energy’s businesses, the inability of CenterPoint Energy, Texas Genco, CenterPoint Houston or CERC to arrange future financings on acceptable terms, the inability of CenterPoint Energy to successfully consummate the sale of its interest in Texas Genco or the timing and outcome of the true-up proceeding and any legal proceeding related thereto could cause actual results to differ materially from those expressed or implied in forward-looking statements. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CENTERPOINT ENERGY, INC.

Date: September 29, 2004

By: /s/ James S. Brian  
James S. Brian  
*Senior Vice President and Chief Accounting Officer*

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TEXAS GENCO HOLDINGS, INC.

Date: September 29, 2004

By: /s/ James S. Brian  
James S. Brian  
*Senior Vice President and Chief Accounting Officer*

**SIGNATURE**

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CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC

Date: September 29, 2004

By: /s/ James S. Brian  
James S. Brian  
*Senior Vice President and Chief Accounting Officer*

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CENTERPOINT ENERGY RESOURCES CORP.

Date: September 29, 2004

By: /s/ James S. Brian  
James S. Brian  
*Senior Vice President and Chief Accounting Officer*

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**EXHIBIT INDEX**

**Exhibit  
Number**

**Exhibit Description**

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99.1 CenterPoint Energy, Inc. slide presentation



**Merrill Lynch**  
**Global Power and Gas Leaders Conference**  
*September 29, 2004*

**David M. McClanahan**  
President and Chief Executive Officer





# Cautionary Statement Regarding Forward-Looking Information



From time to time we make statements concerning our expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are not historical facts. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those expressed or implied by these statements. You can generally identify our forward-looking statements by the words "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "objective," "plan," "potential," "predict," "projection," "should," "will," or other similar words.

We have based our forward-looking statements on our management's beliefs and assumptions based on information available to our management at the time the statements are made. We caution you that assumptions, beliefs, expectations, intentions, and projections about future events may and often do vary materially from actual results. Therefore, we cannot assure you that actual results will not differ materially from those expressed or implied by our forward-looking statements.

Some of the factors that could cause actual results to differ from those expressed or implied by our forward-looking statements are described in CenterPoint Energy, Inc.'s Form 10-K for the period ended December 31, 2003 under "Risk Factors" beginning on page 26 and under "Management's Discussion and Analysis of Financial Condition and Results of Operations - Certain Factors Affecting Future Earnings" beginning on page 47 and in CenterPoint Energy, Inc.'s Form 10-Q for the quarterly period ended June 30, 2004 under "Management's Discussion and Analysis of Financial Conditions and Results of Operations - Certain Factors Affecting Future Earnings" on page 35.

You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements.

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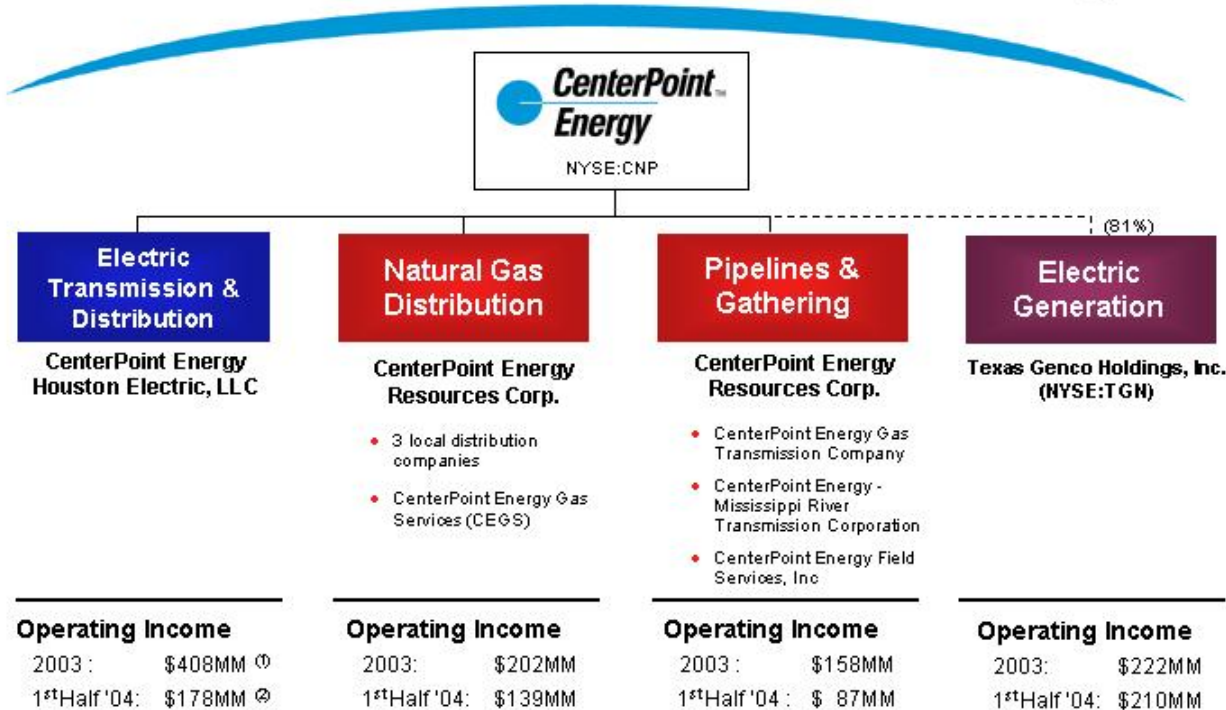
## Discussion Points

- Company Overview
- A Company in Transition
  - Timeline
  - Monetization of Texas Genco
  - Recovery of stranded costs
  - Accounting and financial implications
  - Next steps
- Post Transition Strategy: What's Next



# Company Overview

# Three core segments focused primarily on regulated domestic energy delivery



(1) Results exclude \$661mm of EOGM, \$87mm reserve for Final Fuel Reconciliation and \$39mm of operating income from Transition Bond Company.

(2) Results exclude \$15mm operating income from Transition Bond Company and the reversal of \$15mm of the reserve associated with the Final Fuel Reconciliation.

# CenterPoint Energy

A low risk, diversified business with large scale



- **Large-scale, diversified regulated domestic energy delivery business**

- One of the nation's largest combined gas and electric utilities
- Balanced mix of electric and natural gas assets

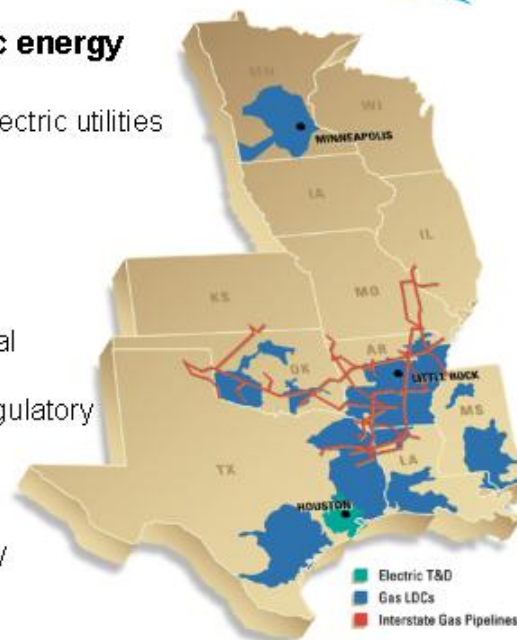
- **Predictable, stable earnings and cash flow**

- **Attractive service territories**

- Houston and Minneapolis/St. Paul above national average in growth and consumption
- Diversified from a geographic, economic and regulatory standpoint

- **Low risk, regulated businesses**

- No electric commodity obligation at electric utility
- No Provider of Last Resort risk at electric utility
- Low commodity risk exposure at gas LDCs

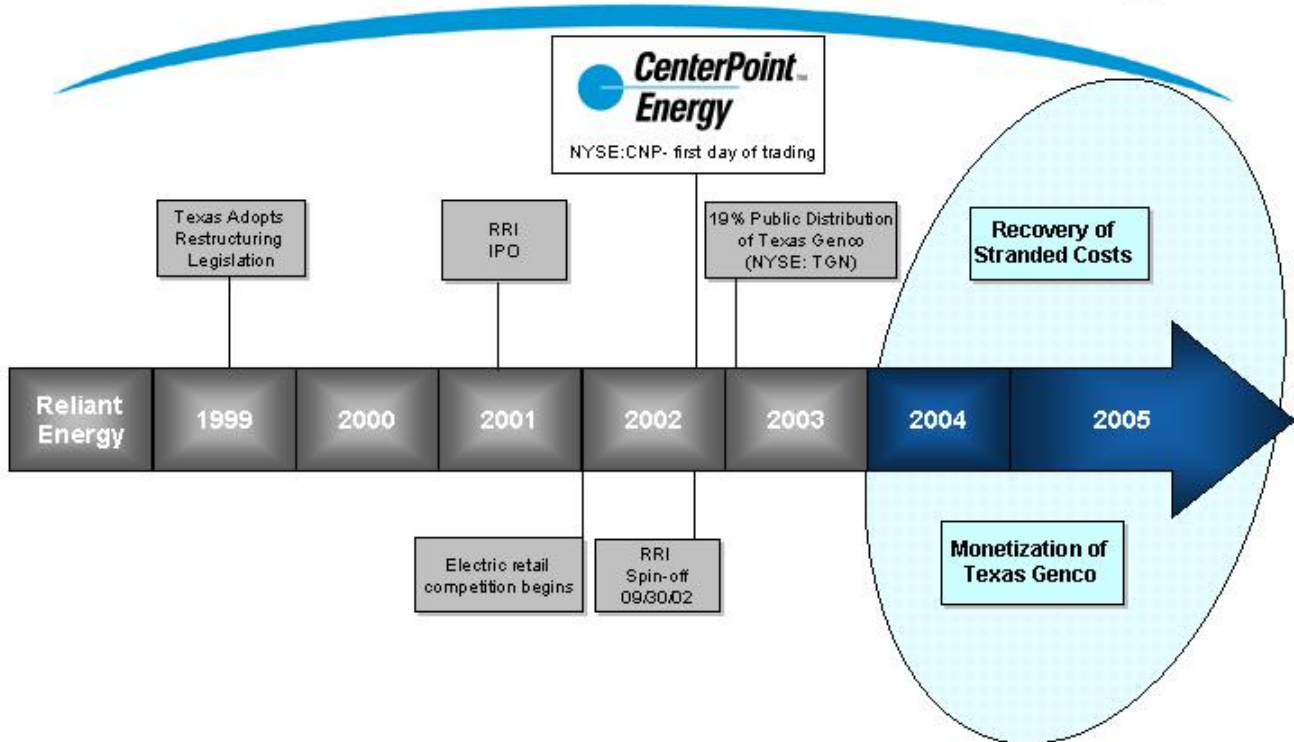




# CenterPoint Energy

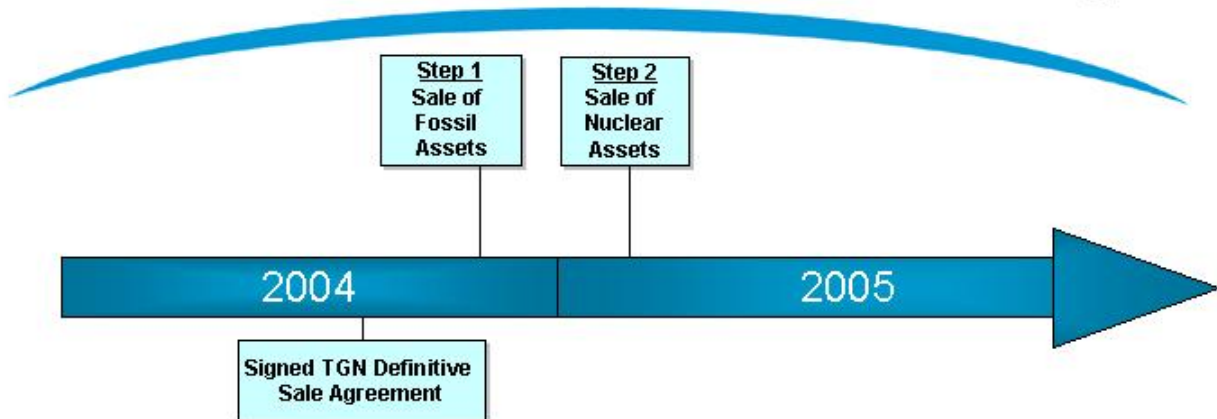
## A Company in Transition

# We are in the final stage of transition





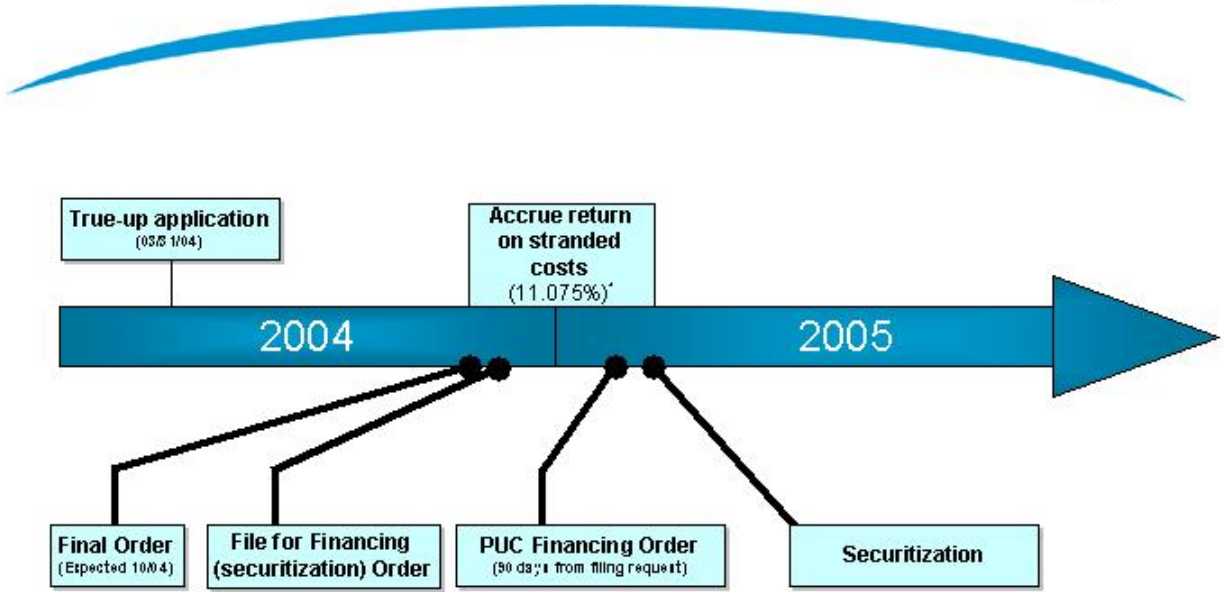
# Monetization of Texas Genco



- Definitive sale agreement with GC Power Acquisition LLC (consortium of private equity firms) signed July 2004
- **\$3.65 billion transaction to close in two steps**
  - Step 1: 4Q 2004
    - ◆ Buy-in Minority Shareholders - \$716 million
    - ◆ Close sale of fossil assets - \$2.231 billion
  - Step 2: 1Q 2005
    - ◆ Close sale of nuclear assets - \$700 million
- **\$2.9 billion gross proceeds to CNP/ approximately \$2.5 billion after tax**



# Recovery of stranded costs



\* Company's estimate based on deliberations of PUC during four public meetings. It is possible that the PUC could modify its views prior to issuing its formal written decision.  
September 29, 2004

# Recovery of stranded costs and other items Requested vs. PUC indications



(\$ in millions)

<b>Stranded Costs</b>	<b>Requested</b>	<b>Indicative PUC Treatment<sup>(1)</sup></b>	<b>Variance</b>
Net Book Value of Generation Assets	\$ 4,380	4,364	16
Regulatory assets and deferred debits	176	176	-
Above market purchased power	48	48	-
Environmental	718	718	-
Interest on Excess Mitigation Credits(EMCs)	180	0	180
Market Value of Generation Assets	(2,908)	(3,400)	492
	<b>2,594</b>	<b>1,906</b>	<b>688</b>
<b>Other Transition Charges/ Credits</b>			
Final Fuel Under-recovery Balance	(75)	(75)	-
Capacity Auction True-up (ECOM)	1,357	891	466
Price to Beat Retail Clawback	(177)	(177)	-
	<b>1,105</b>	<b>639</b>	<b>466</b>
<b>PUC reductions</b>			
Depreciation on TGN assets (2002-2003)		(378)	378
EMCs paid to RRI		(278)	278
ITC and EDIT		(146)	146
		<b>(802)</b>	<b>802</b>
<b>Estimated True-up Balance</b>	<b>\$ 3,699</b>	<b>\$ 1,743</b>	<b>\$ 1,956</b>

## Interest on Stranded Costs

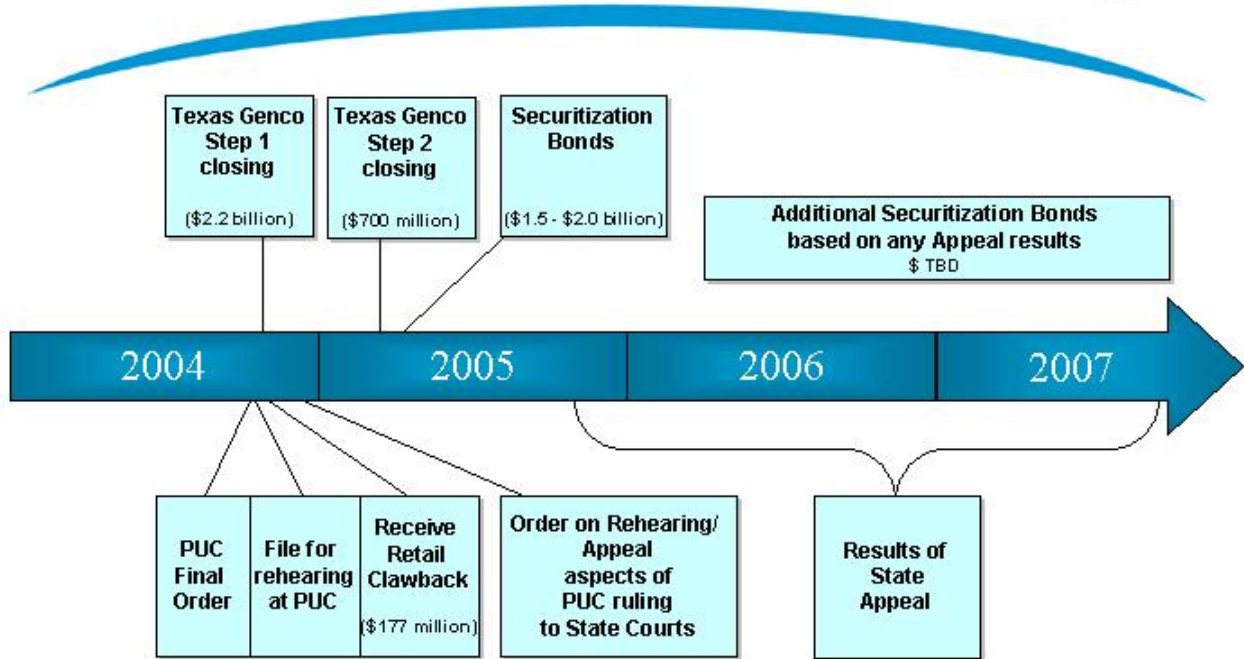
Not yet determined

(1) Company's estimate based on deliberations of PUC during four public meetings. It is possible that the PUC could modify its views prior to issuing its formal written decision.  
September 29, 2004

Merrill Lynch Global Power and Gas Leaders Conference

- **Move Texas Genco to discontinued operations in 3Q04**
- **Record approximately \$250 million after-tax charge related to Texas Genco sale in 3Q04**
- **Record approximately \$1 billion after-tax charge related to PUC true-up decision in 3Q04**
- **Continue dialogue with rating agencies to maintain and enhance credit ratings**
  - Liquidity remains strong; no impending debt maturities
  - Projected coverage ratios will improve significantly; debt/total capitalization still higher than target

# Next Steps





# Post Transition Strategy- What's Next

## What's next



- **We are disappointed with the initial estimated stranded cost recovery but remain committed to our Vision, Strategy and Objectives**
  - PUC decision will not change our company direction
  - Significant total monetization proceeds allow us to continue implementation of our business strategies
  
- **We will continue to focus on energy delivery businesses**
  - Focus on continental, U.S. market
  - Focus on regulated energy delivery, both electric and gas delivery
  
- **We will pursue carefully targeted growth opportunities**
  - Look for complementary business expansion that leverage our core businesses
  - Participate in industry consolidation
  
- **We will continue to pursue process driven operational excellence through executing our “One Company, Get it Right and Grow” strategy**

## Financial objectives



- **Maximize returns of regulated businesses**
  - Ensure gas LDCs are earning allowed rates of return
  - Capture organic growth in existing service territories
  - Implement productivity improvements company-wide; achieve first quartile performance
- **Build and expand complementary and synergistic businesses**
- **Strengthen balance sheet**
  - Reduce debt from proceeds of Texas Genco sale and recovery of stranded costs
  - Maximize internal cash flow generation through prioritization of discretionary capital expenditure and improved efficiency and productivity
- **Achieve and maintain investment grade credit ratings**



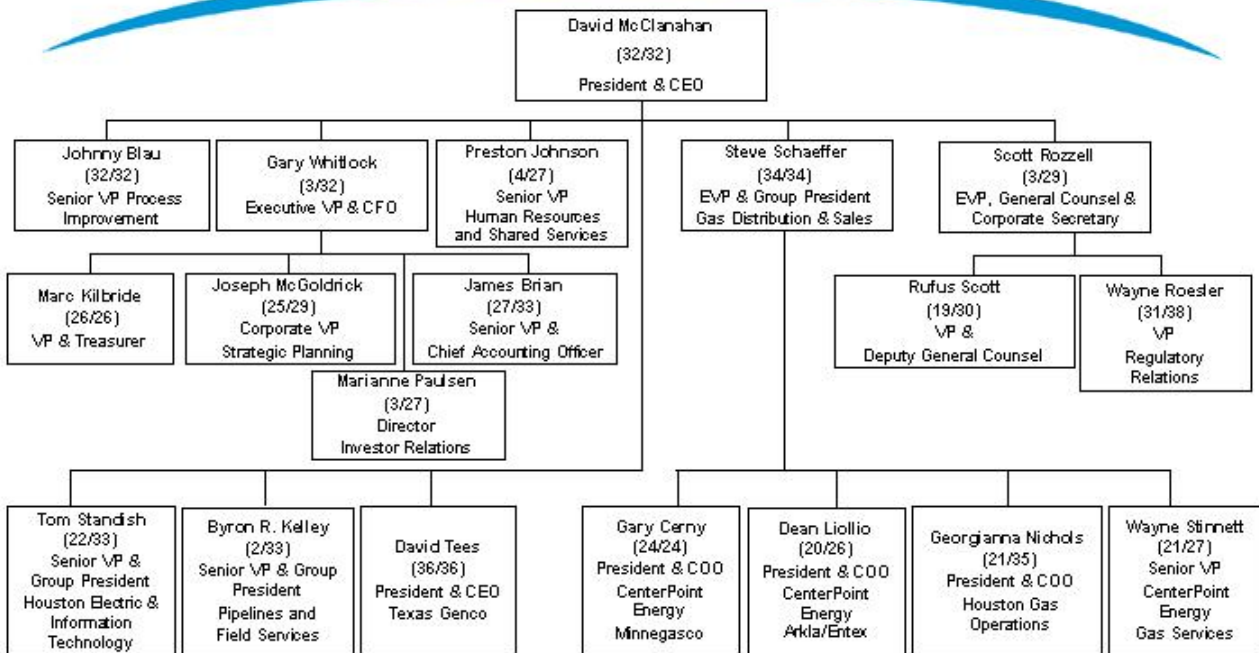
# Appendix





# Company Management

# Skilled management team with significant Regulatory and Industry Experience



Note: Numbers in parentheses indicate years with company / years of business experience.

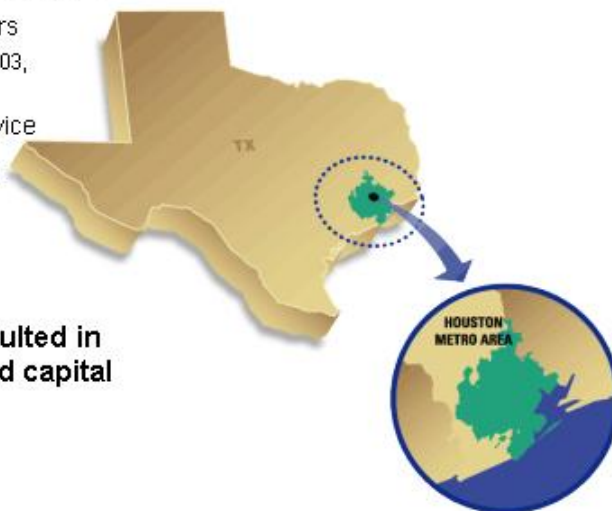


# Business Segments

# CenterPoint Energy Houston Electric Electric Transmission & Distribution Utility



- **Focused strictly on energy delivery**
  - 5,000 square mile service area in and around Houston
  - Approximately 1.84 million metered customers
    - added nearly 47,000 metered customers in 2003, a 3% increase
  - Reputation for reliability and high quality service
- **No commodity risk or supply obligation**
- **Regulated by PUC of Texas**
  - 11.25% authorized ROE on 40% equity
  - Rate base of \$3.3 billion
- **Recent process improvements have resulted in improved service reliability and reduced capital expenditures**
- **Operating Income:**
  - 2003: \$408 MM<sup>(1)</sup>
  - 2002: \$361 MM<sup>(2)</sup>



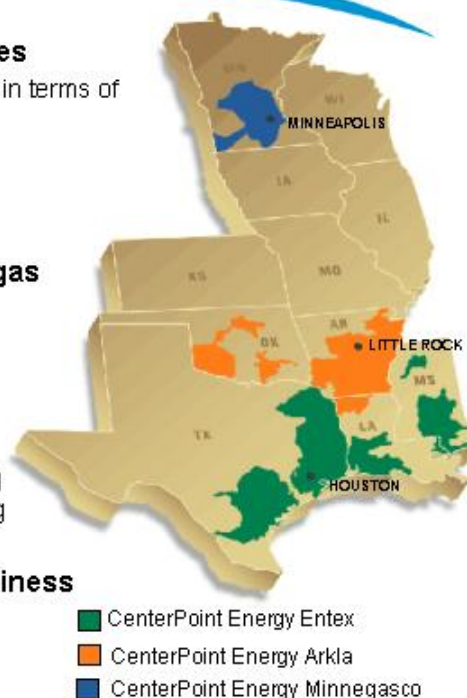
(1) Results exclude \$651mm of EOPM, \$87mm reserve for Final Fuel Reconciliation and \$38mm of operating income from Transition Bond Company. In May 2004, the company realized \$15mm of its reserve.

(2) Results exclude \$697mm of EOPM and \$38mm of operating income from Transition Bond Company.  
September 29, 2004

# CenterPoint Energy Resources Corp. Natural Gas Distribution



- **Three LDCs serving 3 million customers in 6 states**
  - One of U.S.'s largest natural gas distribution operations in terms of number of customers served
- **Attractive service territories**
  - Added over 38,000 metered customers in 2003
  - Recognized for high quality service
- **Gas adjustment clauses mitigate fuel price risk; gas procurement plans reviewed with commissions**
- **Regulated by various city and state jurisdictions**
  - Approximate range of 10-11% authorized ROEs on 50% equity
  - Approximate combined rate base of \$1.5 billion
  - Nearly \$60 million in annualized rate increases obtained since January 2002; additional rate applications pending
- **A complementary unregulated commercial and industrial natural gas products and services business**
- **Operating Income:** 2003: \$202 MM  
2002: \$198 MM



## CenterPoint Energy Resources Corp. Natural Gas Pipelines and Gathering



- **Two FERC-regulated pipelines:**
  - Current system at or near capacity at peak
  - Potential growth in cross haul transportation services
  - Potential expansion opportunity driven by U.S. supply shifts
- **An unregulated gas gathering subsidiary**
  - Minor liquids exposure
  - Good growth potential overall; well-head/field compression monitoring services
- **Pipelines strategically located at the center of the nation's gas transportation infrastructure**
  - Connected to over 20 other pipelines
- **Operating Income:** 2003: \$158 MM  
2002: \$153 MM





# Vision and Strategy

Our corporate vision is simple and focused



Our Vision

*To Be Recognized As America's Leading Energy Delivery Company...and More*

"...America's...  
Energy Delivery..."

- **Focused on domestic energy delivery businesses**

- Focus on continental, U.S. market
- Focus on regulated energy delivery

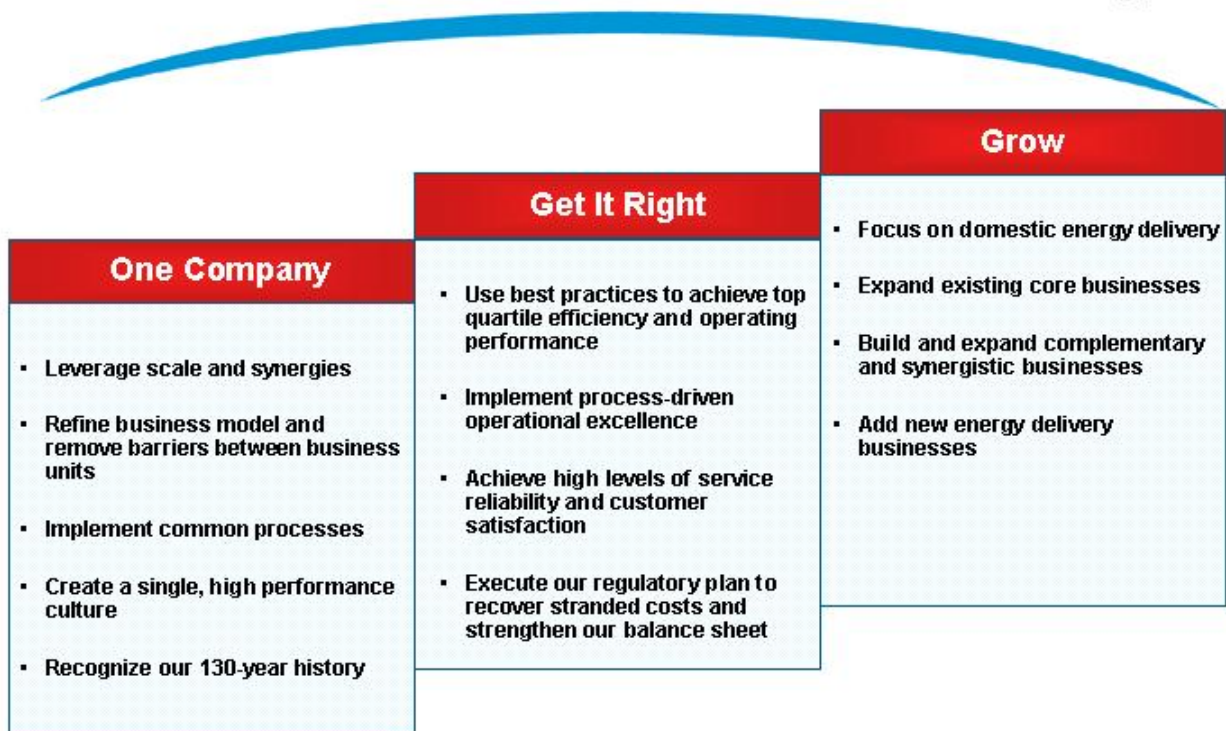
"...and More"

- **Will pursue carefully targeted growth opportunities**

- Look for complementary businesses that leverage our core businesses
- Participate in industry consolidation



Our strategy is reflected in three simple phrases:  
*One Company, Get It Right and Grow*





# Financial Performance

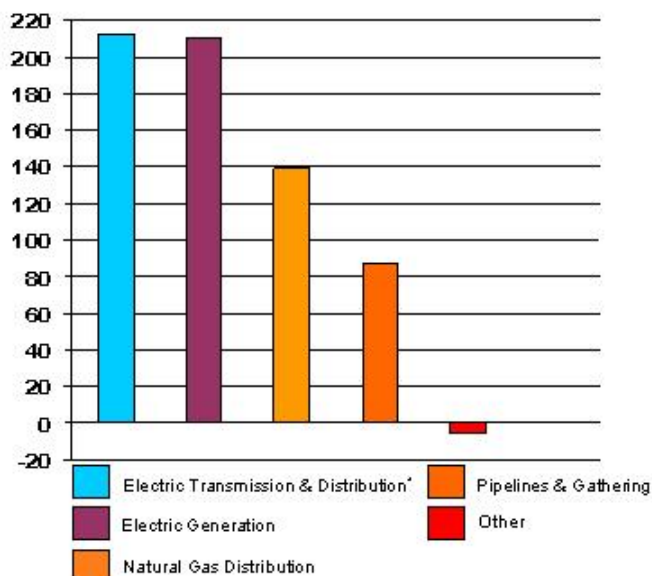
# Financial Results

## Six Months Ended June 30, 2004



(\$ in millions, except per share amounts)

**Total Operating Income: \$643**



**Six Months Ended June 30, 2004**

Operating Income	\$643
Other Income (Expense), net	18
Interest Expense	(415)
Income Taxes	(88)
Minority Interest	<u>(27)</u>
<b>Net Income</b>	<b><u>\$ 131</u></b>
<b>Net Income, per diluted share</b>	<b>\$0.42</b>

\* Results include \$15mm operating income from Transilvania Bond Company and the reversal of \$15mm of the reserve associated with the final fuel reconciliation.



# **Debt & Maturity Schedules As of June 30, 2004**

# Principal amounts of external debt and trust preferred securities

## As of June 30, 2004



(\$ in millions)

CenterPoint Energy, Inc.	
ZENS	\$ 106 <sup>(1)</sup>
Convertible Senior Notes	830
Senior Notes	600
Collateralized Pollution Control Bonds	
First Mortgage Bond Collateral	151 <sup>(2)</sup>
General Mortgage Bond Collateral	527 <sup>(2)</sup>
Uncollateralized Pollution Control Bonds	519
Bank Loans	1,595 <sup>(3)</sup>
<b>Total</b>	<b>\$4,328</b>

### Utility Holding, LLC

CenterPoint Energy Resources Corp. (formerly Reliant Energy Resources Corp.)	
Debentures / Notes	\$ 2,242
Convertible Subordinated Debentures	77
Note Payable	36 <sup>(4)</sup>
Bank Loans	0 <sup>(5)</sup>
<b>Total</b>	<b>\$ 2,355</b>
Off Balance Sheet Receivables Facility	\$173 <sup>(6)</sup>

NorAm Financing I	
Trust Preferred Securities	\$0.4 <sup>(9)</sup>

Gas Pipelines	
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CenterPoint Energy Houston Electric, LLC (formerly Reliant Energy, Incorporated)	
First Mortgage Bonds	\$ 103
General Mortgage Bonds	1,262 <sup>(7)</sup>
Collateralized Term Loan	1,310
Collateralized Pollution Control Bonds	229 <sup>(8)</sup>
<b>Total</b>	<b>\$2,904</b>

CenterPoint Energy Transition Bond Company, LLC	
Transition Bonds	\$703

Texas Genco GP, LLC	
Bank Loans	1%

Texas Genco LP, LLC	
Bank Loans	99%

Texas Genco, L.P.	
Bank Loans	\$0 <sup>(10)</sup>

HL&P Capital Trust II / REI Trust I	
Trust Preferred Securities	\$475 <sup>(8)</sup>

- (1) Principal amount on which 2% interest is paid is \$840 million. The debt component reflected on financial statements is \$106 million. The contingent principal amount payable at maturity is \$849.4 million.
- (2) The collateralized pollution control bonds aggregating \$678 million are obligations of CenterPoint Energy, Inc. However, CenterPoint Energy Houston Electric, LLC has issued first mortgage bonds aggregating \$151 million and general mortgage bonds aggregating \$527 million as collateral for the CenterPoint Energy, Inc. obligations.
- (3) The \$2.3425 billion credit facility is secured by CenterPoint Energy's interest in the stock of Texas Genco Holding, Inc.
- (4) Non-interest bearing obligation to a former affiliate related to monies previously advanced to CenterPoint Energy Resources Corp. by a third party and for which the former affiliate remains obligated. Payable in June 2005.
- (5) Borrowings under \$250 million bank facility.
- (6) Advances under the \$250 million receivables facility are not reflected as debt on the balance sheet.
- (7) The term loan and pollution control bonds are collateralized by general mortgage bonds.
- (8) For financial reporting purposes, the trust preferred is deconsolidated and, therefore \$495 million of junior subordinated debentures issued to the trust is reflected on CenterPoint Energy's consolidated financial statements.
- (9) For financial reporting purposes, the trust preferred is deconsolidated and, therefore, \$6 million of junior subordinated debentures issued to the trust is reflected on the financial statements of CenterPoint Energy Resources Corp.
- (10) Borrowings under \$75 million bank facility.

# Principal amounts of external debt and trust preferred securities

As of June 30, 2004



## CenterPoint Energy, Inc.

	Outstanding	Rate	Insurer	Maturity	Call Feature	
					Date	Price
Secured Term Loan	\$917,500,000	Variable		(4)	Current	(6)
\$1.425 Billion Revolving Credit Facility	\$677,000,000	Variable		(5)	Current	100
ZENS	\$840,344,149 (3)	(3)		09/15/29	Current	101
Convertible Senior Notes	\$575,000,000	5.75%		05/15/23	05/15/08	100
Convertible Senior Notes	\$255,000,000	2.875%		01/15/24	01/15/07	100
Senior Notes	\$200,000,000	5.875%		06/01/08	Current	(7)
Senior Notes	\$200,000,000	6.85%		06/01/15	Current	(7)
Senior Notes	\$200,000,000	7.25%		09/01/10	Current	(7)
Matagorda County Navigation District Number One Series 1995	\$58,905,000 (1)	4.00%	MBIA	10/15/15	10/15/13	101
Brazos River Authority Series 1995	\$91,945,000 (1)	4.00%	MBIA	08/01/15	08/01/13	101
Brazos River Authority Series 1997	\$50,000,000 (2)	5.05%	AMBAC	11/01/18	NA	NA
Matagorda County Navigation District Number One Series 1997	\$68,000,000 (2)	5.125%	AMBAC	11/01/28	NA	NA
Matagorda County Navigation District Number One Series 1998A	\$29,685,000	5.25%	MBIA	11/01/29	11/01/08	102
Matagorda County Navigation District Number One Series 1998B	\$75,000,000	5.15%	MBIA	11/01/29	11/01/08	102
Brazos River Authority Series 1998A	\$100,000,000 (2)	5.125%	AMBAC	05/01/19	05/01/08	102
Brazos River Authority Series 1998B	\$90,000,000 (2)	5.125%	AMBAC	11/01/20	11/01/08	102
Brazos River Authority Series 1998C	\$100,000,000 (2)	5.125%	AMBAC	05/01/19	05/01/08	102
Brazos River Authority Series 1998D	\$68,700,000	4.90%	MBIA	10/01/15	NA	NA
Gulf Coast Waste Disposal Authority 1999	\$19,200,000 (2)	4.70%	AMBAC	01/01/11	NA	NA
Matagorda County Navigation District Number One Series 1999A	\$100,000,000 (2)	5.25%	AMBAC	06/01/26	06/01/09	101
Brazos River Authority Series 1999A	\$100,000,000	5.375%		04/01/19	04/01/09	101
Matagorda County Navigation District Number One Series 1999B	\$70,315,000	5.95%		05/01/30	05/01/09	101
Brazos River Authority Series 1999B	\$100,000,000	7.75%		12/01/18	04/10/08	102
Matagorda County Navigation District Number One Series 1999C	\$75,000,000	8.00%		05/01/29	04/10/08	102
8.257% Capital Securities, Series B	\$100,000,000	8.257%		02/01/37	02/04/07	104.1285
7.20% Trust Preferred, Series C	\$375,000,000	7.20%		03/31/48	Current	100
<b>TOTAL</b>	<b>\$5,536,594,149</b>					

(1) Collateralized by CENERE's Mortgage Bonds.

(2) Collateralized by CENERE's General Mortgage Bonds.

(3) The contingent principal amount is \$849,389,105. Interest is paid on the principal amount in the table at \$0.25125 per ZENS (or 2% per year) plus a "pass-through" of the Time Warner common stock dividend. No common stock dividend is currently paid by Time Warner.

(4) Scheduled maturities as follows: \$2,500,000; 12/31/04; \$2,500,000; 3/31/05; \$2,500,000; 6/30/05; \$2,500,000; 9/30/05; \$2,500,000; 10/7/05; \$805,000,000. Earlier mandatory repayment with proceeds from securitization and/or sale of TON's backproperties.

(5) Scheduled maturity 10/7/05. Earlier mandatory repayment with proceeds from securitization and/or sale of TON's backproperties provided that the commitment shall not be reduced below \$750,000,000.

(6) Partial prepayments at 100%. Repayment of entire loan from substantially concurrent issuance of non-securitized debt at 102 from 10/7/03 to 10/7/04; 101 from 10/7/04 to 10/7/05 and 100 thereafter.

(7) 100% plus make-whole premium using treasury yield + 50 bps as the discount rate.

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# Principal amounts of external debt and trust preferred securities

As of June 30, 2004



## CenterPoint Energy Houston Electric, LLC

	Outstanding	Rate	Insurer	Maturity	Call Feature	
					Date	Price
First Mortgage Bonds	\$102,442,000	9.15%		03/15/21	NA	NA
General Mortgage Bonds	\$450,000,000	5.70%		03/15/13	Current	(3)
General Mortgage Bonds	\$312,275,000	6.95%		03/15/33	Current	(4)
General Mortgage Bonds	\$200,000,000	5.60%		07/01/23	Current	(5)
General Mortgage Bonds	\$300,000,000	5.75%		01/15/14	Current	(6)
Collateralized Term Loan	\$1,310,000,000 (1)	(2)		11/11/05	NA	NA
Matagorda County Navigation District Number One Series 2004	\$56,095,000 (1)	5.60%		03/01/27	03/01/14	101
Brazos River Authority Series 2004	\$43,820,000 (1)	4.25%	FGIC	03/01/17	03/01/14	101
Brazos River Authority Series 2004A	\$33,470,000 (1)	3.625%	FGIC	04/01/12	NA	NA
Brazos River Authority Series 2004B	\$83,565,000 (1)	4.25%	FGIC	12/01/17	06/01/14	100
Gulf Coast Waste Disposal Authority Series 2004	\$12,100,000 (1)	3.625%	FGIC	04/01/12	NA	NA
<b>TOTAL</b>	<b>\$ 2,903,767,000</b>					

(1) Collateralized by CEHE General Mortgage Bonds.

(2) Floating rate at LIBOR + 975 basis points with a minimum interest rate of 12.75%.

(3) 100% plus make-whole premium using treasury yield + 30 basis points as the discount rate.

(4) 100% plus make-whole premium using treasury yield + 35 basis points as the discount rate.

(5) 100% plus make-whole premium using treasury yield + 20 basis points as the discount rate.

(6) 100% plus make-whole premium using treasury yield + 20 basis points as the discount rate (treasury yield + 50 basis points is used as the discount rate for a "special redemption").

# Principal amounts of external debt and trust preferred securities

As of June 30, 2004



## CenterPoint Energy Resources Corp.

	Outstanding	Rate	Maturity	Call Feature	
				Date	Price
Debentures	\$145,070,000	8.90%	12/15/06	NA	NA
Convertible Subordinated Debentures	\$77,372,900	6.00%	3/15/12	Current	100
Debentures	\$300,000,000	6.50%	2/01/08	NA	NA
Notes	\$325,000,000	8.125%	7/15/05	Current	(1)
Notes	\$550,000,000	7.75%	2/15/11	Current	(2)
Senior Notes	\$762,000,000	7.875%	4/01/13	Current	(3)
Senior Notes	\$160,000,000	5.95%	01/15/14	Current	(4)
Note Payable to Reliant Energy Services	\$36,000,000		6/01/05	NA	NA
6.25% Convertible Trust Preferred	\$364,000	6.250%	6/30/26	Current (5)	100
<b>TOTAL</b>	<b>\$2,355,806,900</b>				

(1) 100% plus make-whole premium using treasury yield + 25 bps as the discount rate.

(2) 100% plus make-whole premium using treasury yield + 30 bps as the discount rate.

(3) 100% plus make-whole premium using treasury yield + 50 bps as the discount rate.

(4) 100% plus make-whole premium using treasury yield + 35 bps as the discount rate.

(5) Only if current market price of CNP common stock equals/exceeds 125% of the conversion price for 20 of 30 days.



# Principal amounts of external debt and trust preferred securities

As of June 30, 2004



## CenterPoint Energy Transition Bond Company, LLC

	<u>Outstanding</u>	<u>Rate</u>	<u>Maturity</u>	<u>Call Feature</u>	
				<u>Date</u>	<u>Price</u>
Class A-1 2001-1 Transition Bonds	\$89,167,503	3.84%	(1)	(5)	(5)
Class A-2 2001-1 Transition Bonds	\$118,000,000	4.76%	(2)	(5)	(5)
Class A-3 2001-1 Transition Bonds	\$130,000,000	5.16%	(3)	(5)	(5)
Class A-4 2001-1 Transition Bonds	<u>\$385,897,000</u>	5.63%	(4)	(5)	(5)
<b>TOTAL</b>	<b>\$703,064,503</b>				

(1) Expected maturities: \$27,184,961 on 09/15/04; \$15,914,062 on 3/15/05; \$26,068,480 on 09/15/05.

(2) Expected maturities: \$4,823,521 on 09/15/05; \$18,460,311 on 03/15/06; \$35,834,722 on 09/15/06; \$20,369,999 on 03/15/07; \$38,511,447 on 09/15/07.

(3) Expected maturities: \$1,030,314 on 09/15/07; \$22,279,686 on 03/15/08; \$43,248,801 on 09/15/08; \$24,825,936 on 03/15/09; \$38,615,263 on 09/15/09.

(4) Expected maturities: \$9,576,259 on 09/15/09; \$27,372,186 on 03/15/10; \$53,134,242 on 09/15/10; \$29,918,434 on 03/15/11; \$58,076,963 on 09/15/11; \$33,737,809 on 03/15/12; \$65,491,043 on 09/15/12; \$37,309,760 on 03/15/13; \$71,280,304 on 09/15/13.

(5) The Series 2001-1 Transition Bonds are subject to optional redemption in whole after the aggregate outstanding principal balance of the Series 2001-1 Transition Bonds has been reduced to 5% or less of the aggregate initial principal balance.

# Principal amounts of external debt and trust preferred securities

As of June 30, 2004



In Millions of Dollars

<u>Year</u>	<u>CenterPoint Energy</u>	<u>CenterPoint Houston</u>	<u>CERC (1)</u>	<u>Sub-total</u>	<u>Transition Bonds (2)</u>	<u>Total</u>
2004	5			5	27	\$32
2005	8	1,310	367	1,685	47	\$1,732
2006	1,582		152	1,734	54	\$1,788
2007			7	7	60	\$67
2008-2012	419	46	909	1,374	406	\$1,780
2013-2017	420	877	922	2,219	109	\$2,328
2018-2022	540	103		643		\$643
2023-2027	930	256		1,186		\$1,186
2028-2032	1,167 (3)			1,167		\$1,167
2033-2037	100	312		412		\$412
2038-2042				0		\$0
2043-2047				0		\$0
2048-2052	375			375		\$375
<b>Total</b>	<b>\$5,546</b>	<b>\$2,904</b>	<b>\$2,357</b>	<b>\$10,807</b>	<b>\$703</b>	<b>\$11,510</b>

(1) Convertible Subordinated Debentures mature: \$5.873 million in 2005, \$6.5 million in 2006, \$6.5 million in 2007, \$6.5 million in 2008, \$6.5 million in 2009, \$6.5 million in 2010, \$6.5 million in 2011, \$32.5 million in 2012.

(2) Using expected maturities.

(3) Includes ZENS at their contingent amount payable at maturity of \$849.4 million. The principal amount on which interest is paid is \$840.3 million.